





# THE FALKLANDS CRISIS

## Grain contracts with Moscow seem likely

By Jimmy Burns in Buenos Aires

PROSPECTS for Argentina's crucial cereals trade appear to have improved following the visit of Sr David Lacroze, the under-secretary for agriculture, to the Soviet Union.

Sr Lacroze said on his return from Moscow earlier this week that he was confident Argentina would secure contracts of at least 2m tonnes from the Soviet Union.

According to trade officials in Buenos Aires, Argentina has about 4.5m tonnes of coarse grain left for sale from the current 1981-82 harvest. They say the remaining 2.5m tonnes could be sold to new markets, even though this might mean Argentina cutting prices.

Last year the Soviet Union bought 12m tonnes of Argentine cereals, nearly 80 per cent of the country's total grain exports. But since the outbreak of the Falklands crisis, the Soviet Union has not signed any new cereal contracts with Argentina.

Soviet purchases of coarse grain and wheat under existing contracts have totalled about 8m tonnes this year. Most of these were signed under the terms of a five-year agreement which commits the Soviet Union to buying at least 4.5m tonnes of Argentine cereals until 1985. Officials say that a potentially

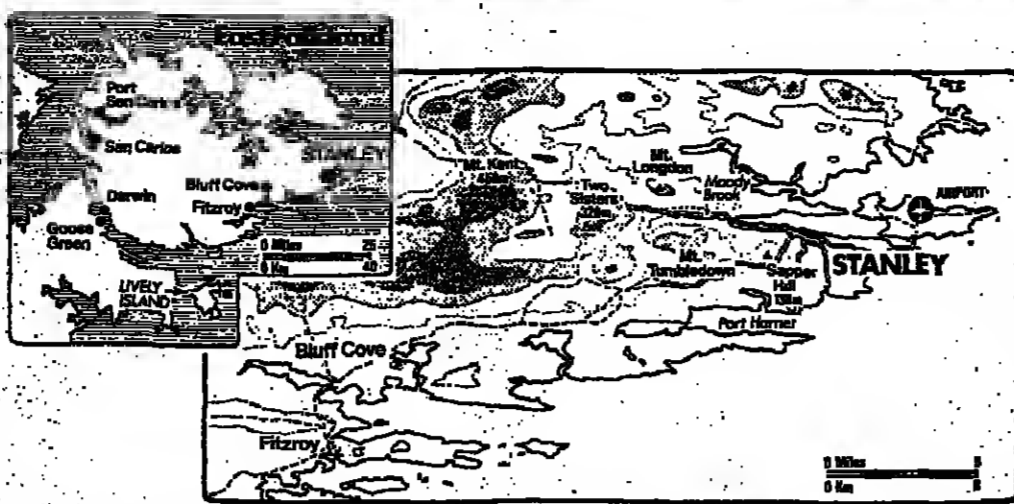
disastrous shortfall in Argentine cereal exports has been avoided thanks to the signing of new contracts in recent weeks.

New sorghum sales have been made to Venezuela, Spain and Taiwan, while substantial volumes of soya beans have been sold to Brazil. Iran has agreed to buy some 1.1m tonnes of Argentine grain over the next 12 months.

Argentina is also hoping to secure contracts with China, Japan, Mexico and Saudi Arabia. Traders claim that other buyers will return to the Argentine market once maize prices are brought down to more competitive levels. Italy is tipped as a potential customer.

Argentina does not appear excessively worried about the prospects of losing substantial contracts to the U.S., the most obvious alternative supplier to the Soviet Union. The U.S. has indicated its willingness to increase sales to the Soviet Union.

It is also said that in spite of the Falklands crisis, there have been few problems for grain ships calling at Argentine ports, though some ships which normally export oil products have refused to dock in recent weeks.



Line up for the land battle for Port Stanley: Despite the Argentine bombing of British landing craft 15 miles from the Falklands capital, British troops are now thought to surround the estimated 6,000-7,000 strong Argentine garrison in Port Stanley. Major British troop concentrations are now said to be dug in around Mt Kent, the forward headquarters, and the Two Sisters ridge, with forward patrols probing Argentine defences possibly beyond Mt Tumbledown. The latest troop movements, announced by the Ministry of Defence in London only at

midnight on Tuesday, involved the repositioning of Bluff Cove and Fitzroy by "elements" of the 5th brigade. Both were apparently undefended by the Argentines, who retreated some time last week for Port Stanley. Capture of the settlements, which is said to have taken place last Friday, gives Britain command of the rough tracks leading to Stanley. It is thought that the bridge has been repaired by Royal Engineers and that possibly 1,000-2,000 men have now gone forward to reinforce their colleagues. There are 9,000 British troops on the islands, with the majority now near Port Stanley.

## Bluff Cove terrain 'a quagmire'

The following is a pooled despatch by Richard Savill, Press Association, from Bluff Cove, East Falkland, dated June 6.

Gale-force winds and driving rain over the weekend impeded advancing British troops as they tightened the noose around Port Stanley.

A low mist prevented helicopters bringing in all essential supplies to the front-line forces, and already difficult terrain

was turned into an almost impassable quagmire.

British frigates pounded the capital through the night in one of the biggest naval bombardments yet, and the dull thud of the explosions could be heard 15 miles away.

The sudden deterioration in the weather has become a vital factor in the timing of any assault on Port Stanley, which until a few days ago seemed imminent.

## Figueiredo to decide on Vulcan

By Andrew Whitely

PRESIDENT Joao Figueiredo of Brazil is to decide personally on the fate of the Royal Air Force Vulcan bomber which made an emergency landing at Rio de Janeiro last Thursday.

The bomber, temporarily based on Ascension Island, was taking part in operations involving the Falklands war when it apparently ran out of fuel and was forced to land.

The incident is embarrassing for both the British and Brazilian Governments. Both sides recognise that it was a genuine accident with no other political or military undertones, but the fact that the President himself is to adjudicate indicates its sensitivity.

Britain has formally requested the return of the plane and its five-man crew through the embassy in Brasilia.

To make matters worse for London's efforts to prevent relations with Argentina's neighbours being worsened by the war in the South Atlantic, a second diplomatic tangle has arisen simultaneously.

Explanations are being made to Uruguay over how spare parts for Harrier combat aircraft operating with the British Task Force came to be mixed up with medical equipment in a cargo which arrived by air at Montevideo last weekend.

## The shadow of the Andes tempers war fever in Mendoza

By Hugh O'Shaughnessy, recently in Mendoza

THE WAR FEVER which grips Buenos Aires is a few degrees lower near the Andes. Mendoza is at the foot of South America's massive mountain chain, in the shadow of Aconcagua, the highest mountain on the American continent. It commands the road and rail approaches to Chile through the Uspallata Pass. The Chilean capital is a short flight

Indeed, this city of 500,000 people was founded by settlers from the other side of the Andes, in 1561. It was governed for centuries from Chile, and still instinctively looks west to Chile and the Pacific, rather than south to the distant Falklands and the South Atlantic.

There are blue, white and blue Argentine flags, not least in the window of the local office of the Lloyd's Bank subsidiary, the Bank of London and South America, but not in the abundance found in Buenos Aires. There are also patriotic posters and caricatures of Mrs Thatcher on the walls of the leafy autumn avenues, but more sparse than in the capital.

Fewer soldiers from Mendoza appear to have been drafted to the Falklands than from other provinces. The crowds reading the latest war news on blackboards outside the offices of the main local paper, Los Andes, are smaller than in Buenos Aires.

This is not to say that the Mendocinos have been uninfluenced by decades of indoctrination to believe passionately that Argentina has a claim to the Falklands. It is just that Chile is more immediate.

Mendoza is very much the barometer of Chilean-Argentine relations. When goods were scarce and the going rough for the Chilean middle-classes during the presidency of Dr Salvador Allende from 1970 to 1973, Mendoza was filled with Chilean shoppers, buying what was unavailable in Santiago. Many monied and professional people came across the border to Mendoza to settle and buy land and houses.

Now, with Chile under Gen Pinochet, the poorer Chileans seek work they cannot find in Chile and take jobs at less than the going rate for Argentine labourers and farm hands.

Apart from Chile, the main preoccupation of the Mendocinos is the slump. At the best of times, Mendoza, while much richer than most of neighbouring Chile, has a very precarious grip on prosperity. Less than 7 per cent of the province's 150,000 sq km is arable and much of that depends on artificial irrigation from the streams and rivers which run down into the desert from the eternal snows of the Andes.

There are energy resources in the form of oil and natural gas, and the state oil company YPF has a large refinery at Lujan de Cuyo, half an hour's ride south of the city.

The conservative and proud Mendocinos complain that Buenos Aires gives them no control over such resources. Argentina is supposed to be a federal state. In practice, every major decision is taken in the capital. "We are very keen to move back to local autonomy," said one prominent local citizen.

In practical terms, Mendocinos rely on their farm sector for their earnings. Argentina is the world's fifth largest wine producer and Mendoza is the country's most important wine-

growing province. But wine is in the doldrums.

Local demand is poor, as real wages in Argentina plummet and export business is slow. European demand for Argentine wine, lower in quality than the neighbouring Chilean product, was slow even before the boycott of Argentine goods and is now non-existent.

The olive and fruit growers, too, have their troubles. They are finding it difficult to sell in the Argentine market and even more difficult to find foreign markets.

Recession has hit Mendoza and as Argentina's problems grow, there can be little prospect of an early recovery.

# Barclays Bank Interest Rates.

**BASE RATE**  
Barclays Bank PLC and Barclays Bank International Limited announce that with effect from the close of business on 8th June, 1982, their Base Rate was decreased from 13% to 12½% per annum. This new rate also applies to Barclays Bank Trust Company Limited.

**RATES FOR SAVERS**  
Bonus Savings and Payplan Accounts. Interest paid was decreased from 12½% to 11½% per annum.  
Ordinary Deposit Accounts. Interest paid was decreased from 10½% to 9½% per annum.



Reg. Office: 54 Lombard St., EC3P 3AH, Reg. No's 42825, 52688a and 226267c.

# Hill Samuel Base Rate

With effect from the close of business on June 10th, 1982 Hill Samuel's Base Rate for lending will be reduced from 13 per cent to 12½ per cent per annum.

Interest payable on the Bank's Demand Deposit Accounts will be at the rate of 9½ per cent per annum.

**Hill Samuel & Co. Limited**  
100 Wood Street, London EC2P 2AJ  
Telephone: 01-628-8011

WHEN YOU KNOW HOW TO LISTEN,  
OPPORTUNITY ONLY HAS TO KNOCK ONCE.

SPERRY

We understand how important it is to listen.

Sperry is Sperry Univac computers, Sperry New Holland farm equipment, Sperry Vickers fluid power systems, and defence and aerospace systems from Sperry division and Sperry Flight Systems.

IF YOU AGREE THAT GOOD LISTENING IS VITAL TO YOUR BUSINESS, AND WOULD LIKE TO ATTEND A SEMINAR, WRITE TO SPERRY, DEPT. FT19, 78 PORTSMOUTH ROAD, CORHAM, SURREY KT11 1JZ.

We'll never know how many ideas have been lost, or chances missed, because they were simply never noticed.

But at Sperry, we're determined not to overlook a single one.

Staying inventive and ahead in a technological world requires a uniquely human skill.

The ability to listen. Which is why we've set up listening training programmes, world-wide, for Sperry employees to attend.

In computer science, defence and aerospace, where new systems can take decades to develop, we've found the best way to meet tomorrow's needs.

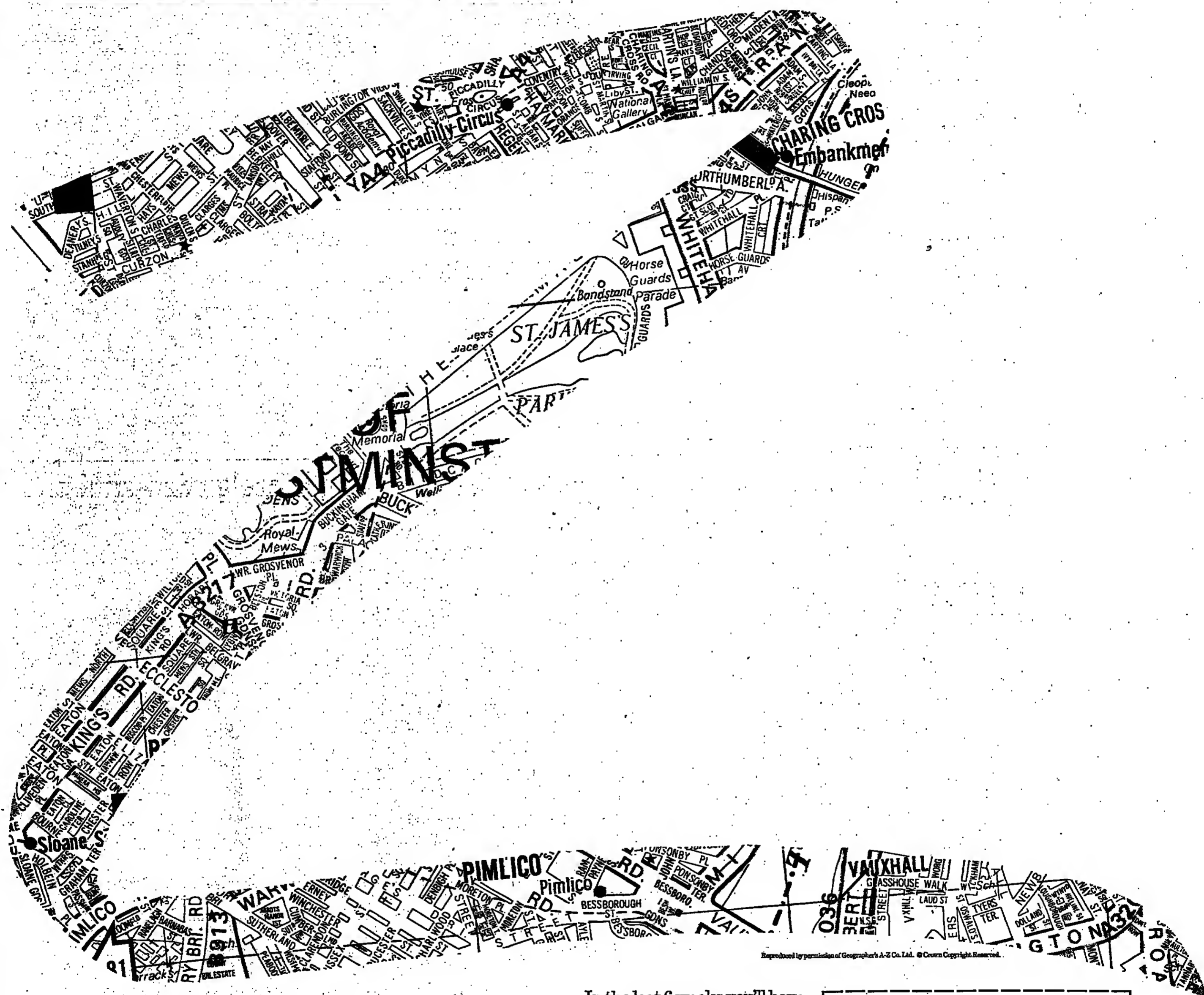
Listen well enough to anticipate opportunity, long before it has a chance to knock.

We understand how important it is to listen.

Sperry is Sperry Univac computers, Sperry New Holland farm equipment, Sperry Vickers fluid power systems, and defence and aerospace systems from Sperry division and Sperry Flight Systems.



# IN LONDON THERE'S A



Reproduced by permission of Geographers A-Z Co. Ltd. © Crown Copyright Reserved.

In the last 6 weeks you'll have found our enterprise opens many different doors.

Well, now we're doing it again, right here in London.

Because today our new London office opens at 34 Dover Street, London W1.

So now, whether you are an industrialist, housewife, teacher, banker, or entrepreneur, by writing or visiting us you can discover just how much we have to offer.

Because in London, Z marks the spot.

To: Zanussi, 34 Dover Street, London W1.  
I'd like to know more about:

Domestic Appliances  Catering Equipment   
 Electronics  Housing  Components

I'm interested in supplying Zanussi with:

\_\_\_\_\_  
 Name \_\_\_\_\_  
 Position \_\_\_\_\_  
 Company \_\_\_\_\_  
 Address \_\_\_\_\_  
 Tel: \_\_\_\_\_

*Z* is for **ZANUSSI**

AMERICAN NEWS

WORLD TRADE NEWS

U.S. parties offer plans to break budget impasse

BY ANATOLE KALETSKY IN WASHINGTON

TWO NEW BUDGET proposals from the Republican and Democratic Parties will be put to the vote today in the U.S. House of Representatives. The new plans are drawn more clearly along partisan lines than the seven budgets rejected by the House two weeks ago, but Republican leaders hope their ideas may attract enough support from conservative Democrats to command a majority.

Setback for Republican Right

BY ANATOLE KALETSKY IN WASHINGTON AND LOUISE KEHOE IN SAN FRANCISCO

THE Republican Party's conservative wing suffered a double setback in the first round of primary elections held in 10 states on Tuesday. In this most serious test of electoral opinion in the U.S. since 1980, the significant results were defeats for the strongest supporters of President Reagan's economic and social policies in races for Republican senate nominations in New Jersey and California.

Mobil to pull out of Libya

By Richard Johns

MOBIL yesterday announced the termination from July 13 of its operations in Libya where, together with Veba of West Germany, it holds a half share of a concession. The decision is understood to have been taken following several months of futile exchanges over the U.S. major's complaint that tax and royalty rates on its equity oil made the lifting of its entitlement uncommercial.

Stock index futures face mounting criticism

BY DAVID LASCELLES IN NEW YORK

STOCK INDEX futures, the latest addition to the fast-growing list of financial futures in the U.S., may be gaining investor acceptance but they have yet to dispel political scepticism. Sharp criticism by the House energy and commerce committee, which is holding hearings on futures this week, while unlikely to result in anything as drastic as a ban on trading, could hamper their growth.

Paul Betts reports on U.S. consumers' abandonment of smaller cars for their first love—the six-passenger gas guzzler

Detroit's gospel challenged by renaissance of the big car

MOST U.S. drivers have never really felt comfortable with small cars. They were forced to adapt to them, as indeed was Detroit, in the wake of the oil shocks of the 1970s. But petrol is again plentiful and relatively cheap, so Americans are again buying the big six-passenger car in which they can pack their children, the dog and the luggage and cruise along for miles to Vermont or Florida to the sound of stereophonic music.

guzzlers and hello to a whole new generation of fuel-efficient cars from Detroit, produced at a cost of \$80bn. So far, so good, but what happened subsequently has deeply distressed Mr. Iacocca. "The price of gasoline," he says, "has dropped to below a \$1 in some areas, the U.S. public is back in love with big cars again, and the demand for our most fuel-efficient models has dropped like a rock. No wonder the car market is screwed up."



Kings of the road: left, the 1982 Dodge Lancer—roomy in the U.S. tradition. Right, Chrysler's hot-selling new convertible, the LeBaron.

W. German concern wins Soviet contract

By Kevin Done in Frankfurt

LINDE, the West German mechanical engineering, refrigeration and technical gases group, has been awarded a DM 390m (\$71.4m) contract from the Soviet Union for the construction of a 250,000 tonnes a year ethylene plant.

Japan tightens rules for export insurance

Japan's Ministry of International Trade and Industry (MITI) said yesterday it is tightening its rules for the provision of insurance on exports to Yugoslavia, East Germany and Romania.

Investment in China totals \$2.8bn

BY COLINA MACDOUGALL

DIRECT FOREIGN investment supplied or promised to China since 1978 now totals \$2.8bn (\$1.5bn) according to figures released at the investment trade forum which opened in Canton this week.

Morocco diversifies sources of foreign investment

BY FRANCIS GHILES

THREE MONTHS ago, a Japanese-Spanish consortium headed by Mitsui and Fomento de Comercio Exterior won a \$200m contract from Morocco to build two sulphuric acid plants at Jorf Lasfar, south of Casablanca.

Rees attacks protectionism myth

BY OUR WORLD TRADE STAFF

MR PETER REES, Britain's Trade Minister, yesterday urged open the door to the possible establishment of a British counterpart of the U.S. International Trade Commission, the government body that rules on international trade disputes affecting the U.S.

General Agreement on Tariffs and Trade (GATT). He favoured "transparency" in international trade relations, and backed the idea that GATT also be involved in scrutinising the trade restraint agreements.

He argued against Third World claims that the developed world had become more protective. He acknowledged that there had been an increase in the numbers of unco-ordinated measures in a "grey area" including voluntary restraint agreements in recent years.

Investment in China totals \$2.8bn

BY COLINA MACDOUGALL

DIRECT FOREIGN investment supplied or promised to China since 1978 now totals \$2.8bn (\$1.5bn) according to figures released at the investment trade forum which opened in Canton this week.

approval from the Ministry of Foreign Economic Relations and Trade when the project is first suggested, on completion of a feasibility study, and when the formal documents such as the contract are drawn up.

Ireland plans to extend insurance

By Brendan Keenan in Dublin

THE IRISH Government is to introduce legislation to extend export credit insurance to service industries. At present such insurance is limited to manufacturing capital projects and heavy services such as architects and consultancy fees.

Pertamina awards three contracts

BY RICHARD COWPER IN JAKARTA

DESPITE THE gloomy short-term outlook for Indonesian oil production, foreign oil companies continue to invest in the country's oil and gas industry at record levels.

and gas over the next six years. In addition, the companies agreed to pay Pertamina \$3m in signature bonuses for three blocks totalling around 58,000 square kilometres. On top of this, they agreed to pay Pertamina more than \$50m in production bonuses if output reached specified levels.

the last six months. Together the nine blocks cover an area of more than 135,000 sq km. Last year, foreign oil companies took up 10 new blocks and are understood to have spent a record \$3bn on exploration, production and development in Indonesia — up by around 40 per cent on expenditures in 1980.

Morocco diversifies sources of foreign investment

BY FRANCIS GHILES

western Sahara, soft prices for phosphates which remain Morocco's major hard-currency earner and high U.S. interest rates, which pushed the debt service ratio on the foreign debt up from 23 to 30 per cent.

officials now are seeking new markets, such as in the U.S. and Canada, at least for leather products. A push is also being made to export more products derived from phosphate rock such as phosphoric acid and triple phosphate fertilisers.

M. Azzedine Gnessous, Minister of Trade and Energy and helped by the recently founded Centre Marocain de Promotion des Exportations. Some notable successes have been scored: the Middle East alone bought 75,000 tons of fruit and vegetables last year, while a trial run of selling tomatoes through Britain's Marks and Spencer is currently in progress.



Kings of the road: left, the 1982 Dodge Lancer—roomy in the U.S. tradition. Right, Chrysler's hot-selling new convertible, the LeBaron.

year. West German-made cars sales were down 26.3 per cent during the first five months of this year, compared with the same months in 1981.

After the 1974 and 1979 oil shocks but then bounced back as soon as the situation eased. Another interesting illustration of the changing trend in U.S. car buying is the decline in diesel car sales. They were, until last December, one of the biggest spots of the dreadful U.S. car market.

Although, under the CAFE rules, manufacturers can still make cars below the CAFE limit, there are also specific fuel consumption limits for individual cars. The minimum fuel efficiency requirements started at 15 miles per gallon in 1980 and has been steadily rising to increase eventually to 22.5 miles per gallon in 1986.

# A trade banker who can't track down low-cost credit should try another business.

Today's high-priced financing can increase the cost of your imports and price your end product out of the market. Unless your banker can find a source of low-cost funds.

Our Trade Finance officers already have: low-cost government sponsored credit.

So far, 25 countries have it. And Chase has a dedicated officer in all of them.

With over 30 years' experience on the scene and unparalleled knowledge of the field, your Chase trade banker can tell you anything you need to know about virtually any export finance programme anywhere and how to make it work for you.

To assist you, we've even written the definitive reference work, the "Chase Guide to Government Export Credit Agencies." This value-for-money publication covers everything from the big picture to tiny details And covers it more comprehensively than anything ever written before.

Now, as never before, time is money. So whether you want our book or, more importantly, our brains, call us, the Chase Trade and Export Finance Group.

 **The Chase is on.**

For more information or a copy of the Chase Guide to Government Export Credit Agencies please call: Josse Borremans in Brussels on 513 6890; Heinz Rahlves in Frankfurt on 611 25451; William Hastings in London on 726 5260; Alain Choumert in Paris on 260 3380; Federico Imbert in Rome on 546 831; Heinz Ratka in Vienna on 52 76 89; Zbynek Zak in Zurich on 201 49 36.

June 10 1982  
nyth  
rped against  
aims that the  
id become more  
d acknowledged  
been an  
bers of uncor  
s in a "p  
voluntary  
ns in recent  
led, however:  
ve fallen  
ve rounds of  
d a study by  
e Community  
ghized land  
ds will fall  
cent once  
reductions  
plemented.  
land plans  
extend  
urance  
rendan Kees  
RISH Govern  
uce legisla  
d export cre  
to service  
nt such as  
d to man  
of projects  
es such as  
onsultancy  
w legisla  
the Irish  
CTI, to pro  
the export  
to Mr  
ey, the Trade  
e Minister.  
exports acc  
1 per cent  
of 153.500  
it is hoped  
as the result  
attract fore  
arnes to  
it is to triple  
bs being crea  
r by 1985.  
year the  
pment. At  
announced  
purchase  
compar  
the employ  
the price  
of trade  
the man  
purchas  
a secretary  
the data  
software  
and  
and  
social

UK NEWS

# Barclaycard to reduce interest rate next month

BY PAUL TAYLOR

BARCLAYCARD, the credit card operation run by Barclays Bank, is reducing its monthly rate of interest charged to cardholders from 2.25 per cent to 2 per cent from July 1.

Barclays' move matches the reduction announced by Midland Bank on Tuesday for its Access cardholders in the wake of the banks' cut in base rates by half a percentage point to 12.5 per cent.

The four other major banks in the Access scheme are still considering whether to reduce their interest charges, although it is expected they will follow Midland and Barclaycard perhaps early next week.

The new interest rate means that the 6m plus Barclaycard holders claimed by Barclays will pay an annual rate of 26.8 per cent interest on outstanding balances if they use the card to buy goods or services and about 27.2 per cent if they draw cash.

No interest is charged if the whole of the outstanding balance is repaid within 25 days of a statement being issued.

A card holder who buys worth £100 and pays back the holder goods worth £100 and pays back the full amount over three months will be paying an annual percentage interest rate of 16.5 per cent.

Midland, which is reducing its Access card rate from June 17, appears to have taken the other banks by surprise in acting so quickly.

National Westminster Bank, which has issued about 46 per cent of the 5.5m Access cards in existence, said yesterday that a reduction in the interest rate was still under consideration.

Monthly credit card rates were increased to 2.25 per cent last October from 2 per cent. Since then bank base rates have fallen seven times from 16 per cent to the current 12.5 per cent.

# Building society investors form protection group

BY MICHAEL CASSELL

AN ORGANISATION aimed at promoting the interests of building society investors and borrowers has been formed by Mr Christopher Punt, who earlier this year failed to get himself elected to the board of the Nationwide Building Society.

The Building Societies Members Association has been founded at a time when the question of the accountability of building societies to their members has become a major issue and societies have faced angry protests from members about the way they conduct their business.

The critics, including MPs, have described the societies as "self-perpetuating oligarchies" saying they have paid little attention to calls from the membership for changes in longstanding management policies and rules. The Nationwide, and the Anglia Building Society have been at the centre of a continuing controversy involving attempts by members to get themselves elected to the societies' boards.

The association, based in Barnstaple, Devon, intends to promote a private member's bill to parliament to put an end to the "preposterous undemocratic practices" of building society directors and to "give investors and borrowers alike a real voice in running their societies".

Mr Punt, who is the association's first chairman, says it has contacted a number of MPs to enlist support for its campaign.

"It is practically certain that changes in building society legislation are just around the corner," he said. "We intend to give voice to the rumblings of discontent within the movement which have recently reached a crescendo."

The association's secretary, Mr W. J. Taylor, claimed that "scores" of people were joining at £5 a time, including members from a wide range of building societies.

# University research 'under threat'

By Michael Dixon, Education Correspondent

THE GOVERNMENT was warned yesterday that only additional public spending could avert damage to research capabilities in universities, which account for about two-thirds of the country's fundamental research work.

The warning came from an official working party led by Sir Alec Morrison, vice-chancellor of Bristol University. It estimated present public spending on research in universities at nearly £600m a year.

But the tax cuts caused by cuts in the institutions' spending would result in permanent damage unless "relatively modest" additional money were provided to give universities more time to achieve the Government's economy targets.

The working party found no reason for changing the so-called dual support system, by which universities receive their main funds for research partly from the University Grants Committee and partly from the research councils.

The report recommends various ways in which institutions could improve the organisation of their research, including thorough examination of the practice of giving academic staff job tenure until retirement.

The problem of creating room for young academics as new blood for research activities "is one of the most important that universities have to solve in the years ahead."

Institutions should form research committees responsible for directing the funds available to projects with the best prospects of high-quality results, and take the initiative in co-operating with other institutions in joint projects.

"Research is almost always a very competitive activity, where the prizes go to those who show the most imagination, and who are able to employ it rapidly and effectively. Second-class research is next to worthless, and we would encourage all those who bear responsibility for the support of research to bear this in mind," says the report.

Contract work for industry—totalling less than £15m a year—was of great benefit to both parties and links with companies should be strengthened.

Support of University Scientific Research; Cmd 8567. HMSO £4.35.

# INTERNATIONAL SEMICONDUCTOR MARKETS

## Growth of Japan's share 'to slow'

BY GUY DE JONQUIERES AND JASON CRIST

THE RECENT rapid expansion of Japan's share of international semiconductor markets is likely to slow during the next few years and will probably be tied more closely to the growth of Japan's own consumption of electronic components, Mr Gordon Moore, chairman of Intel, said yesterday.

He told the Financial Times World Electronics Conference in London that Japan's penetration of international markets so far had been based largely on sales of microchip memories and had been helped by good timing.

But if it were to continue expanding its overseas business at the same rate, the Japanese semiconductor industry would have to compete across a far broader range of products and invest massively in the development of systems comprising both software and components.

Mr Moore said that the U.S. industry's greatest advantage in competing against Japan lay in the recent resurgence of high-technology start-up companies founded by entrepreneurs and financed by venture capital. These would provide the basis for much U.S. innovation in the future.

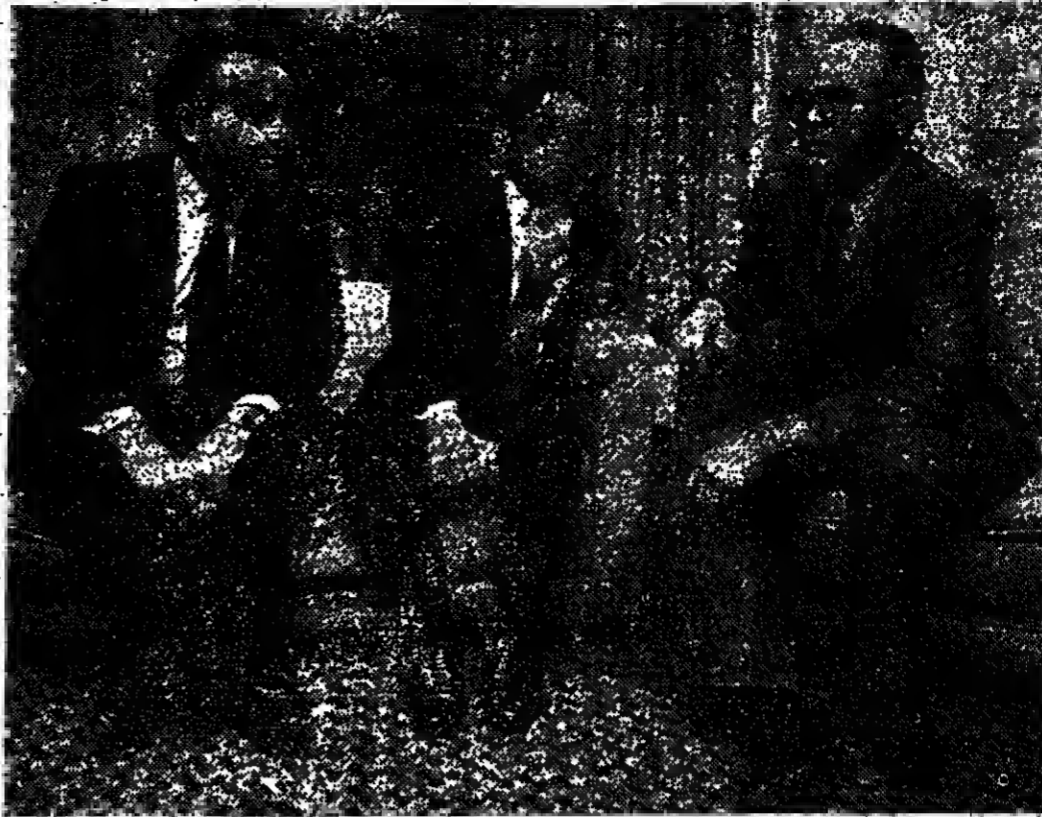
Mr Tatsu Kobayashi, chairman of Fujitsu, said Japan could now claim to be a pace-setter in the production of reliable electronic components and equipment, notably computers, telecommunications and consumer products.

But Japan did not yet excel in creativity and continued to look up to the achievements in this field of engineers and scientists in the U.S. and Europe. Japan was, however, making a major effort in advanced research and development and hoped in time to be able to make important contributions to technological innovation.

Mr Alain Bonbill, technical adviser to the French President, said it was no longer possible for any one country to claim technological leadership in electronics or in any other field.

But France recognised that mastering technological progress was a decisive factor in economic success which would enable it to co-operate more widely with other industrialised countries and with the Third World with which the French Government was negotiating agreements on technology transfer.

M Jacques Maisonneuve, senior vice-president of IBM,



From left, M. Alain Bonbill, technical adviser to the French President, Mr Tatsu Kobayashi, chairman of Fujitsu, and Mr Gordon Moore, chairman of Intel, at the Financial Times World Electronics Conference

said the vast expansion of applications for new types of information processing systems would provide plenty of business opportunities for large and small companies.

During the last 10 years, some 10,000 companies had

every sector of it.

Dr Atsuyoshi Ouchi, senior executive vice-president of Nippon Electric, said huge changes in telecommunications technology had brought within reach a new world system of information and communications which challenged traditional concepts of political borders.

But social and economic institutions were adapting slowly to these changes. More must be done to remove barriers between national telecommunications markets and to encourage international co-operation.

The challenge of creating a strong European electronics industry means there is no place for "home country" politics, warned Mr L. Mercurio, managing director of Olivetti's communications group OLITECO.

To meet the electronics challenge, Europe needed to capitalise on its strong areas and take advantage of the size of the market which Europe could provide.

European strong points were in three areas, said Mr Mercurio.

processing systems and electronic typewriters which form an important basis for office automation.

Telematics products and services and the evolution of telecommunications. Europe already played a leading international role in telecommunications and if it took the right action it could retain that leadership in new services.

European knowledge in systems integration. This job, fitting together products and applications, has a high technological content and will consequently be highly remunerative.

"The survival of the Western European electronics industry is at stake as long as there are a number of companies which behave relatively autonomously on the market or, in a number of cases, even adopt a strongly nationalistic attitude," said Mr C. J. van der Klugt, vice-chairman of Philips Holdings.

Faced with Japan's combined power, Europe still adopts a fragmented stance although there are indications that changes are on the way he said.



entered the information processing industry in the U.S. alone—and many had succeeded by carving out specialised niches in the market. Indeed, the industry had grown so large that it would probably be impossible today to start a big new company which could compete in

# BBC sued by Liberian over ships programme

By Raymond Hughes, Law Courts Correspondent

THE BBC is being sued by a Liberian shipowner over a television programme about ships operating under flags of convenience.

The programme, Rough Trade, was to have been screened in the Brass Tacks Reports series on May 20. It was postponed at the last minute after a writ had been issued.

The legal action was taken by Searex Maritime, of Liberia (owner of the vessel Dyna, which operates under the Panamanian flag), Seantony Maritime, of Liberia, the vessel's charterer, and three other companies, one based in New York and two in London, which are the Dyna's agents and managers.

The companies are claiming damages for alleged trespass on the Dyna at Greenock, Scotland, in April, and seeking various injunctions to restrain the use of film, photographs and sound-track taken or recorded on the vessel.

After a private hearing in the High Court on Tuesday, the case was adjourned until next week without an order made, the BBC having agreed not to broadcast the programme until the legal problems have been resolved.

The Commercial Court will rule soon on whether a writ by men armed with knives on a ship anchored off the Bangladeshi port of Chittagang, was an act of piracy against which the vessel's owner was insured.

Mr Justice Staughton yesterday reserved his judgment in what is regarded as a test case on marine insurance.

The raiders stole \$5,754 (£3,100) worth of gear from the ship, the Andrea Lemos, before being chased off by its crew.

An insurance claim by the vessel's owners, Athens Maritime Enterprises Corporation, which contended that the loss resulted from an act of piracy, was rejected by the underwriters, the Hellenic Mutual War Risk Association (Bernina), which asserted that the loss was through theft and not covered by its rules.

The raid occurred in June 1977 in Bangladeshi territorial waters.

Mr Mark Saville, QC, for the association, said that the raiders did not count as pirates because the incident had taken place within territorial waters.

# Hypo-Bank results 1981

## Group earnings up 17.3% Gains in international business

In 1981, a year characterized by continued fluctuations on international capital markets and lackluster economic performance, Hypo-Bank achieved considerably improved results compared to the previous year.

Bayerische Hypothek- und Wechsel-Bank AG, Germany's oldest publicly-quoted (joint-stock) bank, increased its balance sheet total by 4.8% to more than DM 60 billion. Group assets rose by 6.4% to DM 89.2 billion, with earnings up 17.3% to DM 76.6 million.

The Bank's international business continued to develop favorably. Foreign lending, especially export-related financings, showed satisfactory gains with an again increased proportion of loans going to the highly industrialized economies. Documentary business, foreign exchange transactions, and international payments also posted improved results over 1980.

In its tenth year of Euro-market activity, Hypo-Bank's wholly-owned Luxembourg subsidiary, HYPOBANK INTERNATIONAL S.A., increased its balance sheet total by 18% to Lfrs. 114 billion and substantially strengthened its services to private customers in the areas of deposits, securities, precious metals, and investment counseling.

The New York branch, which accounts for a significant part of the Bank's foreign business, expanded its activities, primarily with corporate clients. In its first full calendar year of operations the London branch, which has "recognized bank" status, successfully broadened its client base and service capabilities.

To strengthen its traditionally close links with the Italian economy, the Bank opened a representative office in Milan. In early 1982, representative offices were opened in Hong Kong and Abu Dhabi.

Through its own offices, partnership in ABECOR, the world's largest banking group of its kind, and a mobile team of banking professionals, Hypo-Bank's service potential spans the globe.

For your copy of our 1981 Annual Report, please contact our International Department, Theaterstrasse 11, D-8000 Munich 2, Tel: (089) 2366-1, Telex: 05-28 6529-27, SWLLE: HYPO DE MM.

Highlights of our consolidated Balance Sheet for 1981 in million DM

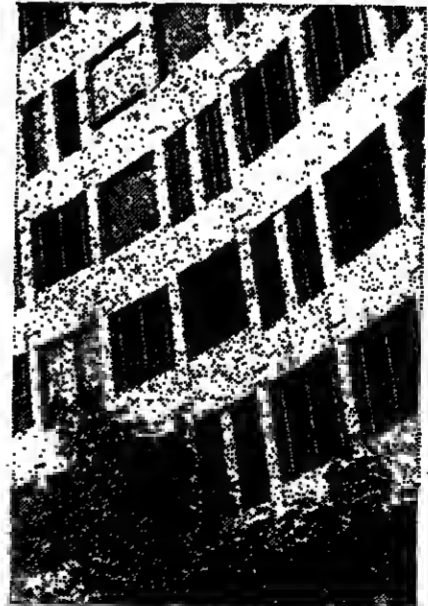
Total assets consolidated	89,239
(Total assets parent company)	60,060
Total loans	71,042
General banking	30,660
Mortgage banking	40,382
Total deposits and long-term liabilities	85,955
General banking	45,217
Mortgage banking	39,738
Capital and reserves	1,791
Share capital	477
Reserves	1,314



Modern Banking in the finest Royal Tradition

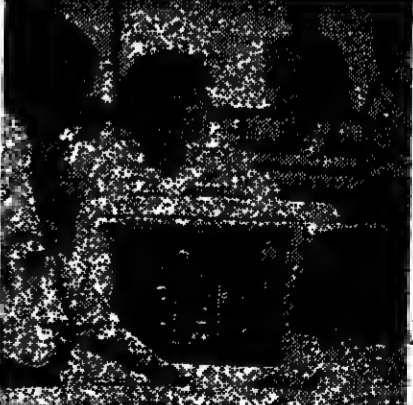
# Honeywell advanced technology -helping to shape Britain's future

It doesn't take a genius to see that our future lies in greater efficiency, output and cost effectiveness. This means bigger and better plant. It also means sophisticated energy saving control systems, for energy costs are still a major issue. A key to reducing energy consumption is advanced technology based on micro-electronics. It is this technology Honeywell offers to commerce and industry throughout the U.K. and Ireland. It can reduce energy use in buildings by 15 to 30% - no matter how new or old, how big or small, or what functions they perform. Pay-back time is several times faster than it was for pre-1970 controls. Amortization of



Installations can be as little as six months and rarely exceeds two years. Of course, energy and cost savings go on and on. Honeywell advanced technology is about people, too. It lets them enjoy comfortable temperature, cleans the air they breathe and keeps them safe - for we have a system that manages the security and services of up to 100 buildings at a time, 24 hours a day. Saved

energy is the cheapest, most readily available source of alternative energy. Honeywell advanced technology lets you tap this source. And, when future conditions demand controls of greater scope and sophistication, Honeywell will supply them. Think about Honeywell. It could help to shape your future.



For more information: Honeywell Control Systems Ltd. Communications Department Honeywell House, Charles Square, Bracknell Berks. RG 12 1EB United Kingdom Tel. (0344) 24555 ext. 581



# Honeywell







# Youth training plans attacked

By Alan Pike, Industrial Correspondent

THE GOVERNMENT'S version of the proposed Youth Training Scheme was attacked yesterday by the National Union of Teachers.

Mr Norman Tebbit, Employment Secretary, will decide this month whether to go ahead with his original plan or accept modifications proposed by the Manpower Services Commission.

The new, year-long combined programme of training, work experience and further education is due to replace the existing Youth Opportunities Programme in September 1983. The MSC proposes that the scheme should be open to all 16-year-old and eventually 17-year-old school leavers rather than just the unemployed, and that allowances should be at least £25 a week rather than the Government's suggested £15.

A third difference—one on which Mr Tebbit has so far shown no sign of giving way—is the MSC's view that the Government should not withdraw the right to supplementary benefits from 16-year-olds who refuse to take part in the scheme.

The NUT condemned the Government's approach as a "cynical attempt to reduce the unemployment figures before the next General Election." Mr Doug McAvoy, Deputy General Secretary, said the proposals were a short-sighted and piecemeal attempt to massage the young jobless figure rather than provide proper training.

The NUT condemned the Government's approach as a "cynical attempt to reduce the unemployment figures before the next General Election." Mr Doug McAvoy, Deputy General Secretary, said the proposals were a short-sighted and piecemeal attempt to massage the young jobless figure rather than provide proper training.

The NUT condemned the Government's approach as a "cynical attempt to reduce the unemployment figures before the next General Election." Mr Doug McAvoy, Deputy General Secretary, said the proposals were a short-sighted and piecemeal attempt to massage the young jobless figure rather than provide proper training.

The NUT condemned the Government's approach as a "cynical attempt to reduce the unemployment figures before the next General Election." Mr Doug McAvoy, Deputy General Secretary, said the proposals were a short-sighted and piecemeal attempt to massage the young jobless figure rather than provide proper training.

The NUT condemned the Government's approach as a "cynical attempt to reduce the unemployment figures before the next General Election." Mr Doug McAvoy, Deputy General Secretary, said the proposals were a short-sighted and piecemeal attempt to massage the young jobless figure rather than provide proper training.

The NUT condemned the Government's approach as a "cynical attempt to reduce the unemployment figures before the next General Election." Mr Doug McAvoy, Deputy General Secretary, said the proposals were a short-sighted and piecemeal attempt to massage the young jobless figure rather than provide proper training.

The NUT condemned the Government's approach as a "cynical attempt to reduce the unemployment figures before the next General Election." Mr Doug McAvoy, Deputy General Secretary, said the proposals were a short-sighted and piecemeal attempt to massage the young jobless figure rather than provide proper training.

The NUT condemned the Government's approach as a "cynical attempt to reduce the unemployment figures before the next General Election." Mr Doug McAvoy, Deputy General Secretary, said the proposals were a short-sighted and piecemeal attempt to massage the young jobless figure rather than provide proper training.

The NUT condemned the Government's approach as a "cynical attempt to reduce the unemployment figures before the next General Election." Mr Doug McAvoy, Deputy General Secretary, said the proposals were a short-sighted and piecemeal attempt to massage the young jobless figure rather than provide proper training.

# Duncan Campbell-Smith reviews an attempt to tame the archaic monster of insolvency practice

## Blowing the cobwebs from old and complex laws

THE PUBLICATION together of both the first and second parts of the Cork Report on Insolvency Law and Practice meant the release for sale yesterday of one complete 460-page volume.

The report is written in plain and elegant English and is clearly intended to be considered as a whole, rather than piecemeal, as supporting evidence for one legal reform or another from time-to-time.

It begins with a sweeping review of insolvency law and the way it has developed over the years as an ad hoc legal structure based on mid-Victorian laws and procedures.

The report concludes that this has produced "the present cumbersome, complex, archaic and over-technical multiplicity of insolvency procedures." The response of the committee, headed by Sir Kenneth Cork, has been to propose a truly comprehensive overhaul.

The committee's report has thus been tailored rather as a seamless garment. Nevertheless, its substance is perhaps divisible into three main areas: the court mechanics of insolvency practice; the approach to companies on the brink of financial collapse, and the treatment of an insolvent company's assets.

Existing procedures, says the report, should be replaced by one uniform procedure applicable to insolvent individuals and companies alike. Applications for insolvency should be open to either creditors or the

debtors themselves. In the company sector, both compulsory liquidation and creditors' voluntary winding-up arrangements would be changed significantly.

The committee proposes the establishment of one insolvency court, to form part of the Chancery Division of the High Court. The Bankruptcy Court would be abolished. The insolvency court would work with High Court judges and registrars, curtailing the present role of the Official Receiver. "The pragmatic exercise of discretion and the expedition of procedures" would be the principal features of the new court.

More uniformity is introduced on the one hand, but the report urges greater differentiation on the other between circumstances of insolvency. At one extreme, it says, simple consumer debtors should be kept out of the courts as far as possible. Debt repayments by instalment would be one option.

A voluntary and informal deed of arrangement should be made available in a broad range of cases. This is especially applicable to individual debtors. However, the report believes that voluntary arrangements without an order of court should also be used in the corporate sector, particularly for small companies.

At the other extreme, court action should weigh more heavily against "delinquent directors of insolvent companies. Some would face mandatory disqualification from company directorships. The court could impose discre-

tionary disqualification in other circumstances. The most striking of these is where the court might be "satisfied that, having regard to his conduct as a director or officer of a company or public company, it is expedient in the public interest that the person concerned should be" barred from directorships.

The qualifications of insolvency practitioners is one other mechanical aspect of insolvency law given some importance. Anyone acting as a liquidator, receiver or trustee should "be required to be a member of a professional body approved by the Department of Trade." Unqualified practitioners would be subject to "a substantial fine per diem."

The second main area of the report considers the approach which should be taken to companies in serious financial difficulty.

The report praises the general system, unique to this country, of the present law on floating charges. This allows a Receiver to be appointed to reclaim secured loans. However, as widely anticipated, it proposes the appointment of an administrator by the court "primarily in cases where the company has not granted a debenture secured by a floating charge, although (the appointment) is not intended to be limited to such cases."

The administrator is certainly not presented as a kind of substitute for a Receiver. The report says that the appropriate circumstances for an administrator "will be almost infinitely various" and should not be

closely prescribed in legislation. Indeed, it is envisaged, for example, that where a Receiver's work is impeded by the limited nature of the floating charge, there "may be a good case for the appointment of the Receiver as administrator."

In critical respects, however, the administrator's powers would go beyond those of a Receiver, and practice under Chapter XI of the U.S. Bankruptcy Law has obviously provided an influential model. The administrator would be empowered to suspend the rights and proceedings of all of a company's creditors. In particular, "there should be a 12-month prohibition on certain secured creditors realising their security except by agreement or with the leave of the court."

The report considers at length the problems of "fragmentation of security" where a company has given many different floating charges over a whole range of assets. The resulting inability of a receiver to include vital parts of a business in an urgent rescue package, perhaps entailing their sale, is described as "a serious defect in our insolvency laws." Proposed amendments to the law on fixed charges would empower a receiver or administrator to override them with court approval.

A wealth of other detailed proposals is included in this context, answering many of the criticisms of existing law prompted by recent corporate

collapses. It is suggested, for example, that general creditors should be consulted by a receiver—forming their own committee where they so desire—although the ultimate discretion of the receiver is respected carefully.

The power of any 12-month moratorium would be extended to bar a company's suppliers from reclaiming goods not yet wholly paid for and delivered with reservation of title. Suppliers are entitled to do this at present in line with the celebrated court judgment of 1976 which allowed Rompage Aluminium to recover goods in this way.

The report urges fundamental changes in the treatment of an insolvent company's assets. Five major amendments would ensue.

Most striking is a proposed curtailment of preferential claim, which at present has first claim on all assets. The report would abolish preference for local authority rates, corporation and capital gains taxes among others. National Insurance and PAYE contributions would be retained, but for a reduced period. Employees' wage claims would be paid up to statutory limits from a preferred fund, but thereafter would rank as ordinary, unsecured debt.

On the other hand, 10 per cent of all realisations under floating charges would be set aside in a fund for distribution to ordinary, unsecured creditors of an insolvent com-

pany. Numerical examples set out the putative working of this second amendment.

The committee proposes restrictions on the privileges of limited liability, which go significantly beyond existing practice. Companies already insolvent which go on to incur liabilities "with no reasonable prospect of meeting them" and heavy under-capitalisation would fit into this concept—would be guilty of wrongfully trading. Directors a party to such activity would have their personal assets subject to civil liability suits.

The report turns to the shadowy affairs of companies which use floating charges and insolvency as a way of transferring assets to legally separate, but effectively associated, entities, to the detriment of third-party creditors. It would remove many of the difficulties of recovering an insolvent company's assets which have been sold to "connected persons."

Many of the present legal devices open to connected persons would be greatly restricted. Finally, the report considers the vexed issue of relations between one company and another within the same corporate group. On the less difficult question of inter-group debt, the committee recommends deferment of the repayment by an insolvent subsidiary of any debt comprising a part of its long-term capital structure.

However, the committee has drawn back reluctantly from any proposals on a parent com-



Sir Kenneth Cork

pany's ability in law to abandon the debts of an insolvent subsidiary. It notes "it is absurd and unreal to allow the commercial realities to be disregarded" as legal technicalities allow presently. Reforms in this area, however, belong in the committee's view to the wider arena of company law—here at least the dauntingly comprehensive report has reached the limit of its brief.

\* Insolvency Law and Practice—Report of the Review Committee, Cmnd 8558, HMSO, £13.35.

## Campaign to ban 245-T

POLITICIANS including Mr Michael Foot, the Labour leader, joined trade unionists yesterday in calling for an immediate ban on the use of the chemical 245-T in weedkillers.

"There is overwhelming evidence that 245-T, which contains a deadly contaminant, dioxin, can cause cancer, birth defects, skin diseases, and a wide range of other side effects," they said at a meeting at the House of Commons.

Farmworkers had been warned by their trade union of the dangers of 245-T, but amateur gardeners could still buy weedkillers containing it over the counter, they pointed out.

Mr Jack Boddy, leader of the farmworkers' section of the Transport and General Wor-

kers' Union, and Mr Moss Evans, the union's general secretary, said that responsibility for pesticides should be transferred to the Health and Safety Executive, which had trade union members.

The campaign to outlaw the chemical is aided by the publication today of Portrait of a Poison, the 245-T Story, written by Judith Cook and Chris Kaufman.

Mr Kaufman, a research officer with the agricultural workers, said: "245-T contains dioxin, one drop of which is capable of killing some 1,200 people, yet in Britain the Government refuses to ban its use."

Portrait of a Poison, Pluto Press, £2.95.

## Cavity fill 'an unreasonable risk'

BY LORNE BARLING

UREA FORMALDEHYDE foam insulation which is commonly used to fill cavity walls of buildings, presents an unreasonable risk of injury because its toxicity cannot be controlled through voluntary or mandatory standards, according to Mrs Nancy Sterots, chairman of the U.S. Consumer Product Safety Commission.

She told a Birmingham conference of the Royal Society for the Prevention of Accidents (Rospa) that use of the foam in the U.S. for building insulation had been banned by the commission after more than 2,000 complaints of adverse effects on health.

Her comments come at a time

of wide debate in Britain about the possible dangers of toxic gas emissions from the foam. The British Standards Institute is making a study of the effects of the foam.

Mrs Sterots said she had examined a wide range of evidence on the subject before the commission voted earlier this year to prohibit use of the foam, but concluded there was no voluntary solution to the problems.

"Because of this insulation's uniqueness—since it is manufactured on site before it is pumped into the wall—it is difficult to have adequate safety control procedures before its

installation. Once it is installed, if there is a problem with the release of formaldehyde gas, it is virtually impossible to eliminate," she said.

However, Mr Frederick Stacy, a Rospa special projects officer, said he believed that different conditions in the UK building industry eliminated most of the dangers.

Mr Stacy said that most homes in Britain, unlike those in the U.S. had either brick or other non-porous interior walls which prevented the seepage of gas into buildings. Companies involved in this work had also imposed strict standards through their trade association.

## BA sells college for £5m

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH AIRWAYS has sold its College of Air Training for more than £5m to Hamble Airfield Properties, a consortium of Hampshire businessmen.

They will continue to use the college at Hamble for flying training after they take it over on July 16.

The deal brings to £15.3m the value of property and other assets disposed of by British Airways since last September, when the airline announced a major retrenchment scheme as part of its attempt to get back into profits.

That scheme included laying off 9,000 personnel through voluntary redundancy, shutting routes, closing overseas offices, selling aircraft and, more recently, reorganising the airline into a divisional structure,

with separate long-haul, short-haul and Gatwick divisions. Among properties which British Airways is still offering for sale is the Victoria terminal in London, which has been closed for some months.

The sale price for Hamble includes the 188-acre site, buildings and 47 light training aircraft.

The college has been used to train pilots for the then British Overseas Airways Corporation, British European Airways and subsequently British Airways, since 1960. More than 1,800 cadets were sponsored for training there, of which 1,426 joined the state airline.

In recent years, the college has trained pilots for British Caledonian Airways and a number of overseas airlines.

# TODAY IS "UNION DAY"

- WHO?**
- sort out people's problems at work?
  - campaign for higher pay and better working conditions for everyone?
  - want a better deal for pensioners, for families, for children and for the unemployed?
  - have 11 million members?
  - stand for the future?
- is the Minister responsible for 3 million registered unemployed?
- believes cutting wages will create jobs?
- thinks the unemployed should get on their bikes and look for work—which doesn't exist?
- intends to deprive millions of people of their rights?
- stands for the past?

## THE MR UNIONS TEBBIT

If you would like further information on the TUC Campaign Against Tebbit's Law, write to the TUC, Congress House, Great Russell St, London WC1B 3LS.

## UNIONS WORK FOR YOU—DON'T LET TEBBIT CRUSH THEM

The Government is trying to crush trade unions. Mr. Tebbit's Employment Bill, now before Parliament, will drastically reduce the rights of unions to organise and defend their members. It will allow unions to be sued for up to £250,000 for action which for decades has been perfectly legal.

cause trouble for employers. It will harm Britain. It will harm you.

That is why the TUC has designated today "Union Day", to alert everyone to the real dangers in this Bill, and to remind the nation of the positive work unions do.

Mr Tebbit pretends that his Bill is a "modest and moderate" measure. But he is trying to fool you.

Tebbit's Law is a bad law. It will cause conflict in industry. It will

**IF YOU WANT TO LOOK AFTER YOURSELF... LOOK AFTER THE UNIONS**

FUTURE OF THE FALKLANDS

Pym on defensive as Labour attacks

BY IVOR OWEN

MPs forced Mr Francis Pym, the Foreign Secretary, to the defensive yesterday when they probed the extent of differences between Britain and the U.S. over relying exclusively on military action to secure the withdrawal of Argentine forces from the Falklands.

CBI seeks cut in tax on industry

THE UNEMPLOYMENT trap is more important than the poverty trap and any moves to lessen the burden of taxation on the poor at the expense of middle income earners would be very undesirable, the Confederation of British Industry said yesterday.

CBI officials led by Mr Brian Rigby, deputy director general, gave evidence to the Commons Treasury and Civil Service Select Committee which is examining the structure of personal income tax and income support.

Mr Alan Willingale, chairman of the CBI taxation committee, said the corporate sector paid too much of the total tax take. The preferable way of reducing it without adding to the burden of personal taxation would be to cut simultaneously taxation, Government expenditure and Government borrowing.

But Mr Dermot Glynn, CBI economic director, said later that some increase in borrowing above the tight 1982-83 limit would have been acceptable if tax costs had been cut "despite the effect it might have on interest rates."

Safety Act 'effective'

THE Health and Safety at Work Act has worked well generally, providing an effective umbrella of legislation to protect people at work, the Confederation of British Industry told the Commons Employment Committee yesterday.

Implementation of the Act had stimulated the development of better health and safety policies and had promoted joint consultation and training. A constructive tripartite structure had been built up in the Health and Safety Commission and its advisory committee.

Mr Butler said measuring cost-effectiveness was difficult but the review was designed to see if the relationship between schemes could be changed to make the best use of available resources.

Sir Peter Emery (Con., Hants) asked why no Japanese companies had invested in Northern Ireland

the south Atlantic, asked bluntly: "Who runs British foreign policy?" Was it the "much maligned" civil servants in the Foreign Office or Downing Street, he demanded.

MPs urge assessors for police complaints inquiries

INDEPENDENT assessors should help investigate complaints against the police, a Commons select committee report said yesterday.

But the Home Affairs Committee did not recommend a totally independent body to investigate complaints—a function carried out by the police themselves.

Police complaints procedures were identified by Lord Scarman, in his report on the Brixton riots, as a significant cause or symbol of frustration and dissatisfaction among some sections of society.

But a majority of the committee said: "We are not convinced that a new and independent organisation would do a more effective job than senior police officers in investigating complaints, and we are doubtful whether to use Lord Scarman's criterion, the gain to the public interest would justify the extra resources involved."

Inquiry into Ulster industrial aid schemes

THE GOVERNMENT has begun a review of industrial development incentives in Northern Ireland to find out if cost effectiveness can be improved, Mr Adam Butler, Minister of State at the Northern Ireland Office, told the Commons trade and industry select committee yesterday.

Mr Butler said measuring cost-effectiveness was difficult but the review was designed to see if the relationship between schemes could be changed to make the best use of available resources.

Sir Peter Emery (Con., Hants) asked why no Japanese companies had invested in Northern Ireland

when a "dozen or so" had invested in the republic. Mr Butler said the "perceived" image of unrest in the province.

Turnout key to SDP battle

MR Roy Jenkins's chances of becoming leader of the Social Democratic Party could turn on the number of members who bother to vote in the election.

His supporters now acknowledge that the contest is sufficiently finely balanced for the outcome to depend on the level of turnout. A high turnout, they say, would benefit Mr Jenkins, while Dr David Owen could have the advantage if only a minority of the party's 65,000 paid-up members voted.

This is because Dr Owen's power base is believed to be among party activists while Mr Jenkins's strength is thought to be among the wider membership.

Over the past week, the Liberals have become increasingly concerned at suggestions that Dr Owen's performance during the Falklands crisis might have improved his chances of winning. They fear that if he becomes leader it could pose major problems for the alliance.

Missiles urged for cargo ships

BRITISH merchant ships and oil rigs should be equipped with missiles and other defence systems to protect them from potential attacks, Mr John Lovridge (C. Umpinster) said yesterday.

Advice on first aid dressings at work

EMPLOYERS are to be advised on where to get sterilised first aid dressings, in a Government directive cut the risk of accidental contamination, Mr Kenneth Clarke, Health Minister, announced yesterday.

establish the security of the islands. Mr Healey argued that Britain had lost support at the UN, including that of the U.S., and her allies in Europe, through using the veto against a resolution which had linked a ceasefire with the withdrawal of Argentine troops.

Jim loses his head under rebel pressure

SEATED WEARILY on the Government front bench yesterday at the Commons faced another all-night sitting on the Northern Ireland Bill, Mr James Prior might have reflected on the fate of the Earl of Essex, who made an ill-considered foray into Ireland nearly four centuries ago.

After marching his troops in circles through the Irish bog, Essex gave up in despair and cobbled up an agreement with the rebel Earl of Tyrone. Unfortunately, this was the last straw for Queen Elizabeth and put Essex on the road to the Tower of London and the executioner's block.

We can only hope our amiable chum at the Northern Ireland Office does not suffer a similar fate at the hands of Mrs Thatcher, who is said to take a dim view of his efforts to set up an elected assembly in Ulster and introduce a programme of "rolling devolution".

Some of his critics had alleged that he had drawn up the Bill in a colonialist frame of mind. "I have been accused of many things in the course of my political career and probably will be in the next few hours, but I have never come across that one before," he observed sourly.

Plan to scrap 'fair wages' norm attacked

THE Transport and General Workers Union has angrily condemned the Government's proposal to scrap the "fair wages" resolution, which requires public contractors to pay wages no less favourable than those set by free collective bargaining.

BA cabin staff dispute settled

By Our Labour Staff BRITISH AIRWAYS' international flights from London Heathrow after a dispute with cabin staff was settled yesterday.

Commons Sketch

Jim loses his head under rebel pressure

SEATED WEARILY on the Government front bench yesterday at the Commons faced another all-night sitting on the Northern Ireland Bill, Mr James Prior might have reflected on the fate of the Earl of Essex, who made an ill-considered foray into Ireland nearly four centuries ago.

Turnout key to SDP battle

MR Roy Jenkins's chances of becoming leader of the Social Democratic Party could turn on the number of members who bother to vote in the election.

This is because Dr Owen's power base is believed to be among party activists while Mr Jenkins's strength is thought to be among the wider membership.

Over the past week, the Liberals have become increasingly concerned at suggestions that Dr Owen's performance during the Falklands crisis might have improved his chances of winning.

Missiles urged for cargo ships

BRITISH merchant ships and oil rigs should be equipped with missiles and other defence systems to protect them from potential attacks, Mr John Lovridge (C. Umpinster) said yesterday.

Advice on first aid dressings at work

EMPLOYERS are to be advised on where to get sterilised first aid dressings, in a Government directive cut the risk of accidental contamination, Mr Kenneth Clarke, Health Minister, announced yesterday.

TUC to launch campaign for British withdrawal from EEC

BY JOHN LLOYD, LABOUR EDITOR

THE TUC is to begin an active, if somewhat low-key, campaign for British withdrawal from the Common Market.

The campaign is in response to a motion, passed at the TUC congress last year, to commit the TUC for the first time to an anti-EEC stance.

Civil Service strike last year cost nine unions nearly £10m

NINE UNIONS spent nearly £10m on the 21-week campaign of strikes last year in support of higher pay in the Civil Service. Final cost figures were given to union members yesterday.

The dispute cost the Government at least £500m in interest charges alone. This sum went on servicing the money borrowed to bridge the revenue gap created when disruption at key computer centres halted the flow of funds to the Exchequer.

Payments of 85 per cent of gross pay were made to union members ordered to take part in selective strikes. Distribution of these costs between unions belonging to the Council of Civil Service Unions is known as "equalisation" and is shown in the accompanying table.

Dockers to strike today in Tebbit Bill protest

LARGE NUMBERS of Britain's 24,000 dockers in the Transport and General Workers Union will strike for 24 hours today to mark Union Day—the TUC's protest against Mr Norman Tebbit's Employment Bill.

Metal workers pull out of amalgamation talks

THE 70,000-strong National Union of Sheet Metal Workers voted overwhelmingly at its biennial conference yesterday to withdraw from amalgamation talks with the Amalgamated Union of Engineering Workers.

BA cabin staff dispute settled

By Our Labour Staff BRITISH AIRWAYS' international flights from London Heathrow after a dispute with cabin staff was settled yesterday.

THE EEC has agreed to help fund the Wales TUC's proposed development centre for workers' co-operatives from the European Social Fund, Mr George Wright, Welsh TUC general secretary, said in Cardiff yesterday, writes Robin Reeves.

Plan to scrap 'fair wages' norm attacked

THE Transport and General Workers Union has angrily condemned the Government's proposal to scrap the "fair wages" resolution, which requires public contractors to pay wages no less favourable than those set by free collective bargaining.

Payments of 85 per cent of gross pay were made to union members ordered to take part in selective strikes. Distribution of these costs between unions belonging to the Council of Civil Service Unions is known as "equalisation" and is shown in the accompanying table.

Over to the CCSSU for administrative costs, the unions drawn from CCSSU funds.

BA cabin staff dispute settled

By Our Labour Staff BRITISH AIRWAYS' international flights from London Heathrow after a dispute with cabin staff was settled yesterday.

Metal workers pull out of amalgamation talks

THE 70,000-strong National Union of Sheet Metal Workers voted overwhelmingly at its biennial conference yesterday to withdraw from amalgamation talks with the Amalgamated Union of Engineering Workers.

BA cabin staff dispute settled

By Our Labour Staff BRITISH AIRWAYS' international flights from London Heathrow after a dispute with cabin staff was settled yesterday.

and industrial democracy, which is now virtually certain to be passed by the TUC general council this month.

Plan to scrap 'fair wages' norm attacked

THE Transport and General Workers Union has angrily condemned the Government's proposal to scrap the "fair wages" resolution, which requires public contractors to pay wages no less favourable than those set by free collective bargaining.

Payments of 85 per cent of gross pay were made to union members ordered to take part in selective strikes. Distribution of these costs between unions belonging to the Council of Civil Service Unions is known as "equalisation" and is shown in the accompanying table.

Over to the CCSSU for administrative costs, the unions drawn from CCSSU funds.

BA cabin staff dispute settled

By Our Labour Staff BRITISH AIRWAYS' international flights from London Heathrow after a dispute with cabin staff was settled yesterday.

Metal workers pull out of amalgamation talks

THE 70,000-strong National Union of Sheet Metal Workers voted overwhelmingly at its biennial conference yesterday to withdraw from amalgamation talks with the Amalgamated Union of Engineering Workers.

BA cabin staff dispute settled

By Our Labour Staff BRITISH AIRWAYS' international flights from London Heathrow after a dispute with cabin staff was settled yesterday.



President Reagan and Mrs Thatcher meeting the Press yesterday after a working breakfast at 10 Downing Street. The President left later for Bonn

# FINANCIAL TIMES SURVEY

Thursday June 10, 1982

# The Basque Country

The inherent differences between the Basque Country and the rest of Spain have traditionally been a source of mistrust between the Basques and Madrid. Relations over recent years have improved, however, helping to repair the damage caused by the repressive policies of the Franco regime.

## Strong belief in a regional identity

BY ROBERT GRAHAM

THE WAY many Basques talk, the differences between themselves and the rest of Spain appear more important than the similarities and common ties. The extreme view is that the Basque country, Euskadi, has ended up in the Spanish state via the unjustifiable quirks of history, and the less there is to do with Madrid the better. Yet even moderate opinion, which has fully understood the futility of seeking Basque independence, still believes strongly in the idea of a separate identity for the Basque Country.

That the Basque country and its people are different is obvious even at the most casual glance. Basque nomenclature, full of Xs and Zs, is a constant reminder that Europe's oldest language obstinately survives. The scenery — pine-covered mountain slopes and narrow fertile valleys with houses reminiscent of the Alps — is in stark contrast to the open plains to the south in Castile. The mountains protected and isolated the Basques from Moorish domination and made them look to the sea and northern Europe. It was no accident that one of Spain's leading banks, Banco de Bilbao, established a presence in London and Paris before it did so in Madrid.

Climate and geography have forged a proud, hardy race with a strong sense of community and cultural heritage. The emergence of the co-operative movement, based around Mondragon, is a peculiarly Basque phenomenon whose success derives greatly from a spirit of common Basque endeavour.

### Competitions

It is curious, too, how the Basques are distinguished by the physical nature of their sports. Pelota, the fastest ball game in the world, evolved here. The Basques still amuse themselves with such activities as tug-of-war, rowing races in long, low fishing snags and stone-lifting competitions. They have provided, and continue to provide, the most illustrious names in Spain in football.

Wedded to all this is an ancient form of local government — elected councils which, in turn, elect a council of counsils which meets at Guernica. The counsellors, or *Junteros*, swore allegiance to the King in front of the Tree of Guernica; the King, in turn granted the Basques certain rights and privileges known as *fueros*.

These ancient rights were suppressed by Franco, who ended the Republic's effort to concede autonomy in his drive to cement the unity of Spain. He also never forgave the Basques for siding with the Republicans. The use of the Basque language was banned and a deliberate attempt was made to eradicate the Basque identity. The con-

sequence of those policies, which were backed by heavy repression, was a general resentment of the central government in Madrid and a radicalisation that led to the emergence of the militant separatist organisation, ETA.

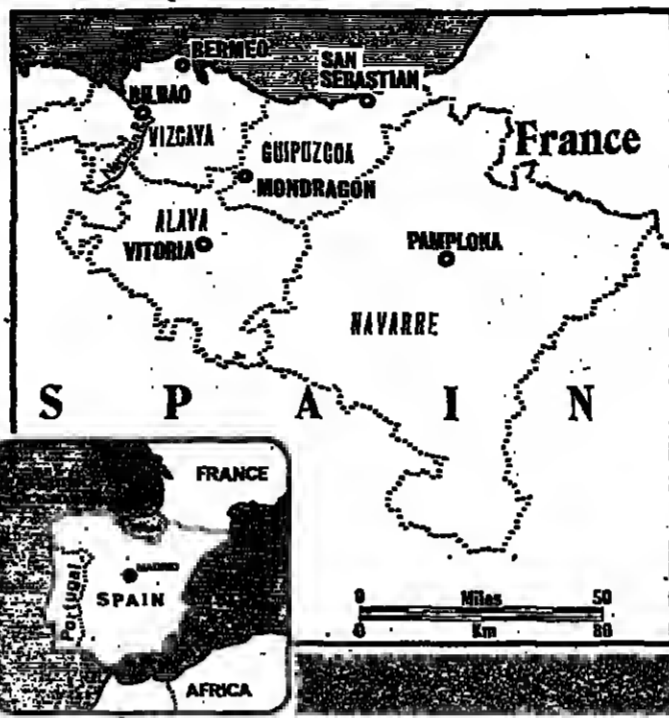
The damage caused by the policies of the Franco era will take time to heal. Yet it is remarkable, given all the errors and continuing mistrust between Madrid and the Basques, that so much has been achieved in such a short time. The main public image of the Basque problem is that of ETA terrorism, and of violence.

The continued existence of ETA should not be minimised, but it should be put in context. The Basque Country now has an autonomy statute — agreed in July, 1979, and subsequently endorsed by referendum — which goes further than the autonomy granted under the Republic. Moreover, the Basques now have politicians democratically elected at municipal and regional levels.

The hard line voice, in favour of ultimate independence and of ETA, accounts for about 20 per cent of the Basque vote and is expressed in the form of the coalition, Herri Batasuna. A new left-wing group, formed by Euskadiko Eskerra and a break-away rump of the Basque Communist Party, probably accounts for another 10 per cent. The latter is against violence.

The vast majority is behind the conservative Basque Nationalist Party, PNV, which runs the Basque Government and has a finger in virtually every pie.

The legitimacy of the PNV cannot be called in question. Many of the present PNV members are former ETA sympathisers.



have been progressively decapitalised.

Blame is readily heaped on the uncertain political situation and the activities of ETA — but there is nothing to suggest that Basque capital, which has generally gone to Latin America or to property in southern Spain, would have behaved much differently if ETA were not in existence. Spanish capital in other regions has followed a similar pattern. ETA has a "revolutionary tax" and is willing to kidnap and threaten if demands are not met. It is also true that several Basque businessmen have left for fear of their lives, or out of an unwillingness to pay. But they are a minority and there is no evidence of foreign companies being touched by such pressure.

Terrorism has declined sharply in the past year due to improved action by the security forces. Matters would improve further if the French authorities cracked down on the ETA leadership residing in France.

By giving clear proof that things are working better, and that the Basque country is being run by Basques, the PNV hopes support for the ETA militants will be eroded. In the 18 months since the autonomy statute went into effect, the Basque regional government has gone about its task with extraordinary thoroughness. The centre of regional administration is now firmly established in Vitoria, housed in a converted sanatorium.

The Basque Government now has control over education up to university level and Basque, Euskera, is already taught in primary schools. A Basque television station is being built and is due on the air in 1983. The first 600 Basque recruits have passed through a Basque police college.

An indication of the systematic way in which Basque solution are being pursued is even more evident in industry. There the Basques have created a precedent by forming an industrial holding company to promote industrial development and reorganisation. This is especially significant in a region which is heavily dependent upon base industries, such as steel and engineering, which have been badly affected by the recession.

The Basque Government is acutely conscious of the damage done by the recession, and of the danger of letting unemployment continue to rise, at present about 16 per cent. Companies

## CONTENTS

- Steel: battling against the recession II
- Energy: gas discoveries increase hopes of more self-sufficiency II
- Shipping: private companies fare best III
- Mondragon: the successful experiment in co-operatives III
- Medium industries: getting together to ease the strain IV
- Banking: boards remain a who's who of business IV
- Economy: emerging from its worst ever crisis V
- Culture: the bid to revive a language V
- Politics: nationalism the key factor VI
- Profile: President Carlos Garaikoetxea VI
- Navarre: the disputed province VI
- Editorial Production: Mike Smith
- Design: Phillip Hunt

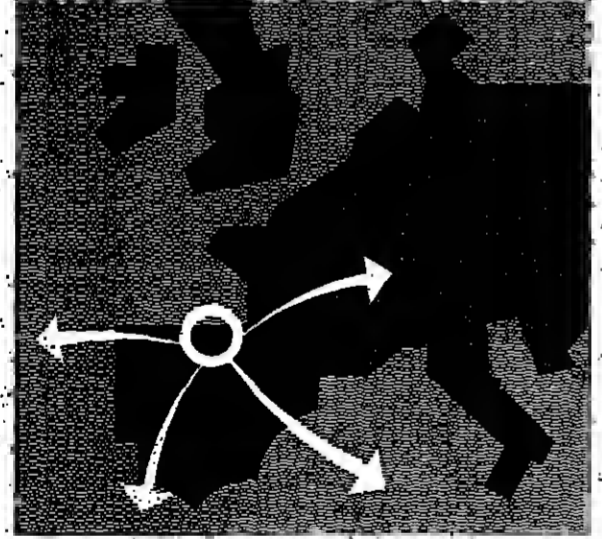
For instance greater local control over the police is out of the question.

**Ignorance**  
Under all this lurks, especially in Madrid, an enormous ignorance on the part of each side about how the other feels.

The common interest of the Basques and of Madrid is underscored by the fate of the controversial nuclear power station at Lemona. By assassination of the plant's chief engineers twice since February 1981, ETA first paralysed, and now has temporarily halted, work on the \$2bn plant. It is more than two-thirds complete and of vital importance for the energy needs not just of the Basque country but of Spain as a whole. Neither the Spanish Government nor the autonomous Government can afford to see ETA triumph by stopping such an important capital project.

## Invest in a developed country with the will and ability to become highly developed: the Basque Country.

Thanks to a Statute of Autonomy approved in 1979, the new political community known as Euskadi (Basque Country) has its own Parliament and Government with, amongst other matters, powers in the promotion, development and planning of economic activity within the Basque territories. Basque Government plans foresee an increase in public investment to 4½ times the previous level and to 5 times the level in technological innovations within the present year. Devolution gives the local civil service greater facilities in granting authorisations, setting up industries and other relevant measures. The Basque Country, moreover, enjoys a special tax and financial status which strongly promotes and supports investors. Furthermore, the Euskadi offers one of the most complete industrial infrastructures in the Spanish State, with 38,000 factories and workshops, a thoroughgoing auxiliary industry specialised in components, supplies, subcontracting and a complete electrical supply network, high technological standards, competitive prices, fully skilled manpower and qualified middle management.



The Basque Autonomous Community is the home of the Bilbao International Fair, where a broad range of specialized technical exhibitions is held. The Basque Country, with its two international ports (Bilbao and Pasajes), three international airports (Bilbao, San Sebastian and Vitoria-Gasteiz) and extensive railway network, motorways and trunk roads, provides ample logistic support at the communication and transport levels. Its privileged geographic position ensures excellent contact with the rest of Europe. The enterprising spirit of the Basque businessmen experienced in all fields of industry, the availability of a highly qualified workforce and the existence of a well consolidated financial structure completes the picture of this Country which, through its drive and make-up, has become a spring-board, towards markets throughout the world. For further information apply to: Department of Industry and Energy, Basque Government, Duque de Wellington, 2, Vitoria-Gasteiz, Alava, Euskadi, Spain. Telex: 31681, and 31682 EUJK E Tel: Spain-45-246000.

**Gobierno Vasco-Eusko Jauriaritza**  
Duque de Wellington, 2  
VITORIA-GASTEIZ (SPAIN)

**IBERDUERO, S.A.**  
THE LEADING SPANISH ELECTRICITY ORGANISATION

TOTAL INSTALLED POWER	5.297 MW
HYDRO-ELECTRIC POWER	3.777 MW
TOTAL OUTPUT	14.217.000.000 kWh
HYDRO-ELECTRIC OUTPUT	6.675.000.000 kWh
EQUIVALENT TO 28,7% OF SPAIN'S TOTAL HYDRO-ELECTRIC OUTPUT	

**BASQUE COUNTRY**

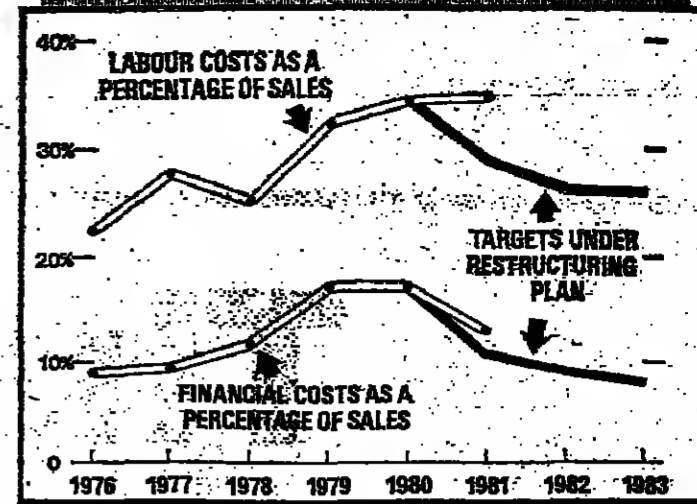
- 3 THERMAL POWER PLANTS
- 67 HYDRO-ELECTRIC POWER PLANTS
- 4.900 EMPLOYEES
- 1.107.000 CUSTOMERS
- 106.000 SHARE HOLDERS

# THE BASQUE COUNTRY II

Private company benefits after Government agrees to restructuring plan

## State aid boosts chances of recovery

Altos Hornos de Vizcaya's performance



**STEEL**

NO SECTOR of the Basque economy has been battered so badly by the current recession as the steel industry—historically the foundation stone of Basque wealth. Spurred in the middle age of the British industrial revolution, when shipping companies carrying iron ore from Biscay to England were persuaded by Basque interests to return laden with coal, the steel industry became the heart of the most advanced economy in Spain, allowing the Basque Country to beat to the rhythm of North European development.

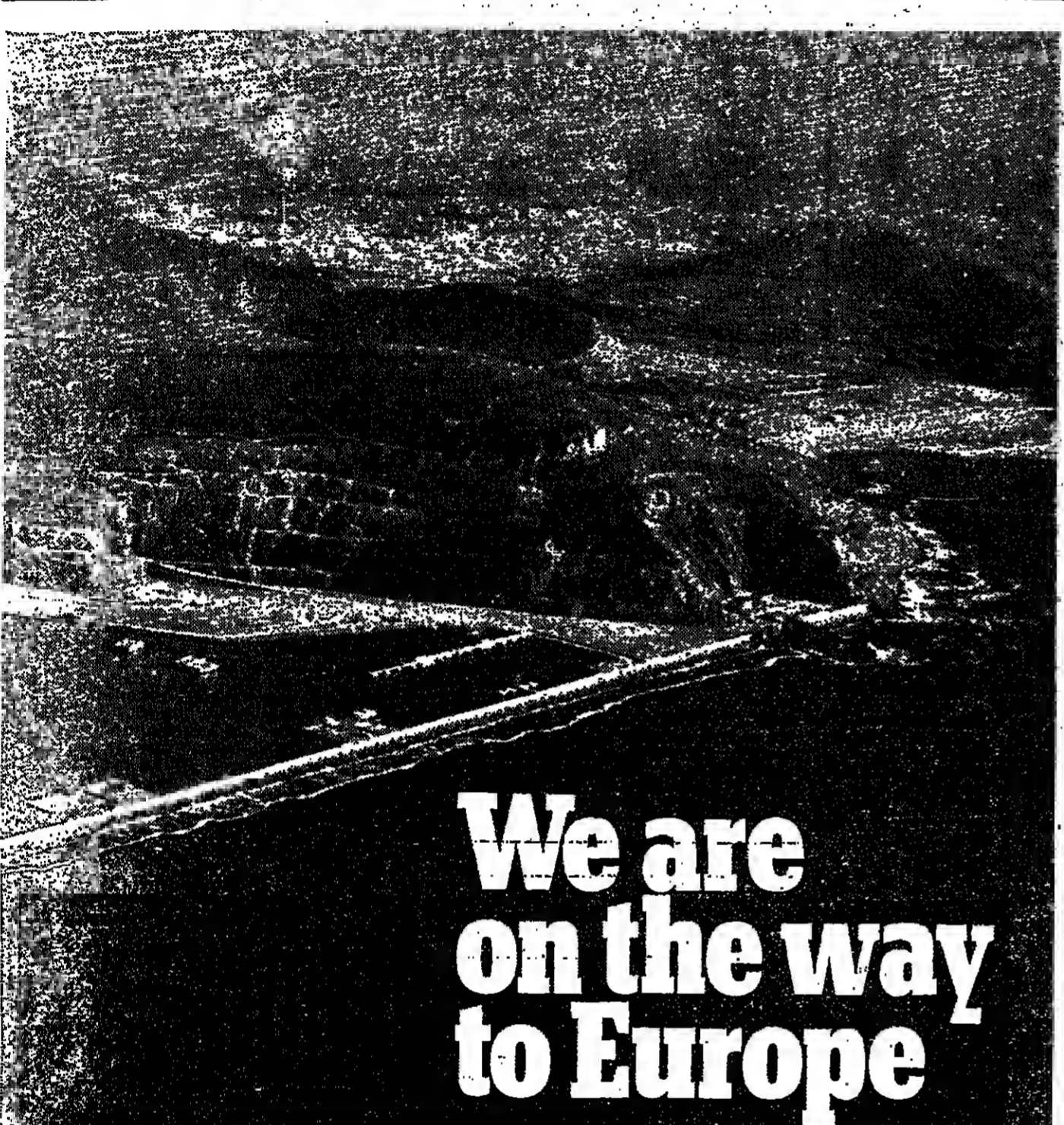
building and capital goods production they account for nearly a third of industrial activity, has emerged in the last eight years as a major structural liability, making the region as vulnerable as a single-crop agrarian economy. The Basque Country accounts for over a third of Spain's integrated and basic steels output and some 70 per cent of special steels production. By 1980, total losses in the Spanish integrated steel industry had climbed to Pta 34bn (£191m), with special steels losses up to Pta 6.5bn.

the fusion of three 19th century steelmakers, AHV was last in the black in 1976, when it scraped a modest Pta 704m (£3.7m) profit. In the last five years it has accumulated losses of Pta 41bn, ending last year with a loss of Pta 10.46bn. Its financial position had been eroded to such an extent that by April 1981, its total liabilities had reached Pta 54.7bn against capital and reserves of some Pta 15bn.

back in balance, against last year's negative cash-flow of Pta 6.5bn (prospects for this year have, however, suffered a heavy blow following a freak fire on March 26, which completely destroyed the electronic controls of AHV's hot strip rolling mill, the nerve centre of production).

As a result, the recession "arrived later" in Spain, and caught the steel industry on a wave of expansion. The industry still has the capacity to produce some 16m tonnes of steel a year, against national demand of just over 8m tonnes.

between 15 and 30 per cent lower than at home. The Government, the integrated steel companies, and the major trade unions began talks on the crisis in 1979. As a prime measure, the State holding company INI took over Altos Hornos del Mediterraneo (AHM), 46 per cent owned by AHV, where a cold strip rolling mill had been completed in the first phase of a three-part plan aimed at servicing the increasingly depressed car and domestic appliance industries.



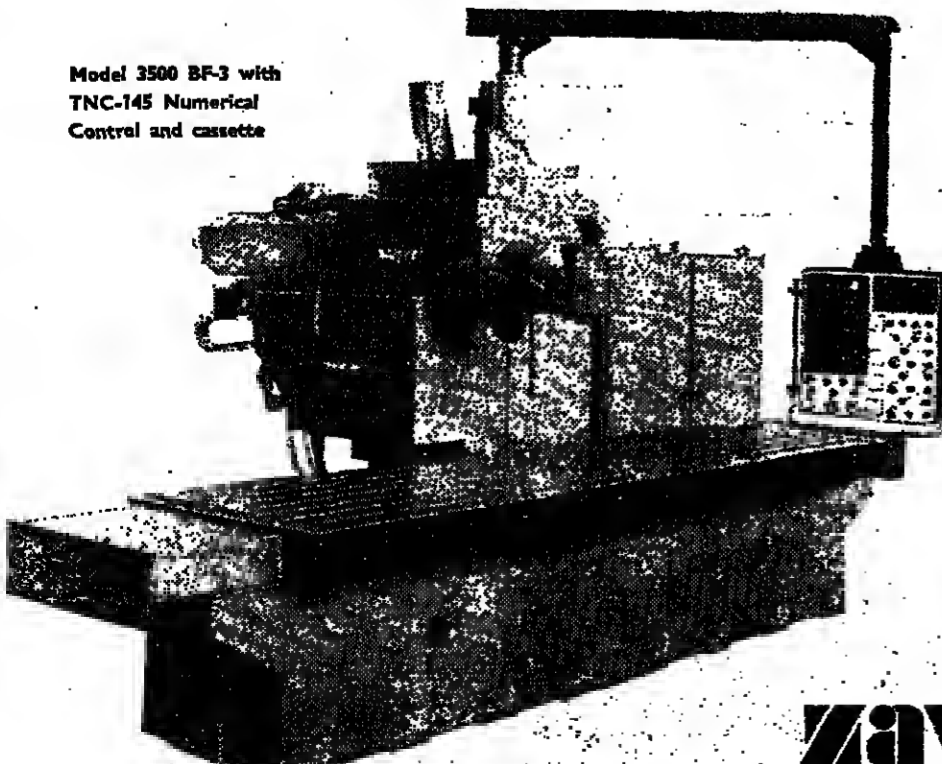
**We are on the way to Europe**

And there is no turning back with a future that offers a great deal, but which also implies a tough technological, commercial and financial challenge. Petronor was born in 1968 and has accepted that challenge since then. All its activities have been aimed towards Europe. Now when times are difficult, Petronor can look ahead with confidence, because it has established the foundations so that this confidence will be possible. A crisis-proof solid financial standing.

A material base proved by two refineries with sufficient capacity to process 12 million tons of crude per annum, a super-port and one of the leading European tanker fleets. With significant results: like becoming one of the ten largest industrial companies with the highest sales figures in Spain; it has been awarded the Golden Medal for Exports and has been declared 'and Exemplary Company of the Social Security'. Petronor: Men and means facing the future. No matter how difficult it is.

**PETRONOR**  
Refineria de Petroleos del Norte, S. A.  
SPEARHEAD IN NEW DEVELOPMENT

### ZAYER Milling Machines with Numerical Control or Electronic Copying Device



- OTHER PRODUCTS**
- Machining Centres
  - Bridge type Milling machines
  - Moving Column milling machines
  - CNC Lathes
  - Knee type milling machines
  - Electric copying milling machines

Send for detailed catalogues to:  
ZAYER, S.A.  
Aparado 206  
Victoria, Spain  
Tel: (45) 26 28 00  
Telex: 35427

**zayer, s.a.**

**Complications**

Spain's steel industry combines the ills endemic to the industry elsewhere—excess capacity, heavy financial overheads, and surplus labour—with a number of specifically local, aggravating factors.

**New funds**

Agreement on the measures was held up because AHV—unlike AHM and the other integrated steel producer in the State sector, Ensidesa—owed its private bankers nearly Pta 16bn, as well as owing the Government nearly Pta 20bn in tax and social security arrears.

**Deaths of chief engineers halt work on Lemoniz power station**

Plan to increase self-sufficiency threatened by nuclear protestors

**ENERGY**

TOP PRIORITY has been given to evolving an energy policy that coincides with the Spanish national energy plan and provides greater Basque control over—and use of—resources.

**Deposits**

A much bigger project involves the utilisation of gas. Here the discovery of encouraging deposits of gas offshore near Bermeo has completely altered the picture.

**Referendum**

This seemed the only way ahead since the technicians had declined to return in full following Sr Ryan's death. The Basque Government wanted a referendum to provide greater moral backing for the plant but this was unacceptable to Madrid.

**Robert Graham**

**Sugamon**

**SEEKS AGREEMENTS WITH COMPANIES IN THIS SECTOR WORLDWIDE FOR MUTUAL BENEFIT**

**SUGAMON INTERNACIONAL, S.A.**  
J. L. AZNAR, 2  
BILBAO - SPAIN

produced primary energy will swing from just under 2 per cent to 31 per cent by 1990.

From its inception the plant has been controversial both because of the siting so close to Bilbao and because Iberduero was regarded by the left and militant Basques as the epitome of the Francoist financial "bunker".

The energy holding company will have as its main task the operation of the Lemoniz Plant. This plant undoubtedly poses the most delicate energy problem. Site work began on the plant in 1972 but Iberduero only obtained full licensing permission from the local authorities in 1976.

Initially attacks were directed against the construction site itself and ETA even succeeded in damaging one of the generators. Latterly ETA has switched tactics. On the one hand it has singled out Iberduero installation throughout the Basque Country causing serious loss of generating capacity at times.

Also in: Madrid, Barcelona, Iruñ, Pamplona, Vitoria, Hendaia  
**SUGAMON - Established 1895**









THE BASQUE COUNTRY VI

Radicals command a third of the Basque votes

Nationalism - the key factor

POLITICS

Spanish parties discarded raptures and instead embraced Sr Adolfo Suarez's reforms—the strategy of reforming the regime while leaving key pillars of Francoism, such as the armed forces, the judiciary, and broadcasting, in place.

The Basques went their separate way, out of step with the rest of the state. When the reforms were consummated by the referendum on the new Spanish constitution in December 1978, the Basques again stood out, rejecting the constitution by an overall majority.

A political solution was found in June 1979 with the Statute of Guernica, the home-rule statute drawn up by the moderate Basque parties and finally clinched in marathon personal negotiations between Sr Suarez, the then Spanish Prime Minister, and Sr Carlos Garaikoetxea, the current Basque President. The Statute approved the statute in a referendum that autumn, and the strong recommendation of the historically mainstream party of Basque nationalism, the Partido Nacionalista Vasco (PNV), and elected a parliament the following March.

**Coalition**

Nationalist parties took over two-thirds of the vote and 45 of the seats in the 60-member Basque assembly. The PNV, with over a third of the vote, took 27 seats; Herreri Batasuna (Popular Unity), a radical nationalist coalition which shares the aims of ETA's military wing (ETAPam) came second with around 20 per cent and 11 seats; a third nationalist formation, Euzkadiko Ekberre (Basque Left), spawned in 1977 by ETA's politico-military wing (ETAPam), came fourth with seven seats on some 10 per cent of the vote. The only Spanish party to get a look-in were the Socialists (PSOE), with some 15 per cent of the votes and nine seats.

The PNV is the only paid-up member of the Christian Democratic International in Spain. It is also, with the exception of its radical nationalist offspring, the only genuine mass party left in Spain. This is true not only in the sense that it can turn out up to 200,000 for a rally or demonstration at the drop of a hat, but in that it is a highly cohesive, multi-class force with a large working-class rank-and-file. Ideologically, it is an amalgam of Christian Demo-

Profile: Carlos Garaikoetxea

President on a tightrope

By Robert Graham

AS HEAD of the Basque Government and leader of the Basque National Party, Sr Carlos Garaikoetxea, has been treading a tightrope. From within the Basque Country he has had to cope with continuous demands for more—and greater—independence from Madrid. At the same time the Spanish Government has been increasingly restrictive in interpreting the terms of the Basque autonomy statute approved in July 1979.

"He's got critics on both sides," says one Basque colleague. "He is expected to deliver the goods with as yet very limited powers but, in Madrid, whenever he tries to do this he is suspected of undermining the unity of the Spanish state."

That Sr Garaikoetxea (pronounced Garakoetxea) has managed to carry off a balancing act is a tribute to his tact, charm and negotiating skills.



Sr Garaikoetxea—critics on both sides

Politicised

Sr Garaikoetxea was born in Pamplona, capital of Navarre, the fourth Basque province, and it was hard for anyone growing up in the Basque Country in the Franco era not to become politicised. Sr Garaikoetxea tells visitors of how he was made to eat an "kurrina"—the green, red and white Basque flag—by members of the security forces.

However, he was relatively late to enter active politics. His initial background was in business. He was managing director of Eaton Iberia and later President of the Navarre Chamber of Commerce. Between 1972 and 1974 Pamplona was the scene of bitter labour unrest and his role on the side of the employers, who petitioned the Carrero Blanco Government for tough police action, is still resented by radical elements in the Basque Country. This said, he represents the liberal wing within the conservative and Catholic-orientated Basque Nationalist Party, PNV.

From comparative obscurity within the PNV, Sr Garaikoetxea was elected to the presidency in March 1977. The fact that he was a native of Navarre,

whose incorporation into the Basque autonomous region was—and still is—strongly resisted by part of the population, played a part in his choice. But also his personality and age—he is now 43—were very much in tune with Spain's new democratic image. Indeed his good looks and elegant dress (he is often teased for his Anglophilia, having his suits made in England) gave the initial impression of a lightweight controlled by more determined and powerful figures within the PNV.

But he gave the lie to this impression by the way in which he personally wound up the arduous negotiations for the Basque autonomy statute. It was he alone, in marathon sessions with the then prime minister Sr Adolfo Suarez, who put the finishing touches to all contentious issues. This gave him considerable moral authority and fully established him as the "mediator" or leader.

The agreement was probably only possible in July 1979 because the two men established a degree of trust and empathy. This same empathy and trust does not exist with the new prime minister, Sr Leopoldo Calvo Sotelo.

Sr Garaikoetxea takes a philosophical view of the differences that have given the Basques such a separate identity and still create constant friction with Madrid. He is proud that, despite limitations, the Basque Country has regained in the past 18 months important aspects of autonomy and its own identity. He himself has always been especially keen on promoting the Basque language, now taught in all primary schools.

**TARABUSI S.A.**  
(Established 1928)

DESIGNERS AND MANUFACTURERS FOR THE WORLD VEHICLE AND MOTOR COMPONENTS INDUSTRY:

Pistons—piston rings—gudgeon pins—cylinder liners and valve seats in our unique, well known KITSETS

Actively exporting to: AFRICA  
EUROPE  
FAR EAST  
MIDDLE EAST  
NORTH AMERICA  
SOUTH AMERICA

Ask for our comprehensive colour catalogue in English/French/Spanish

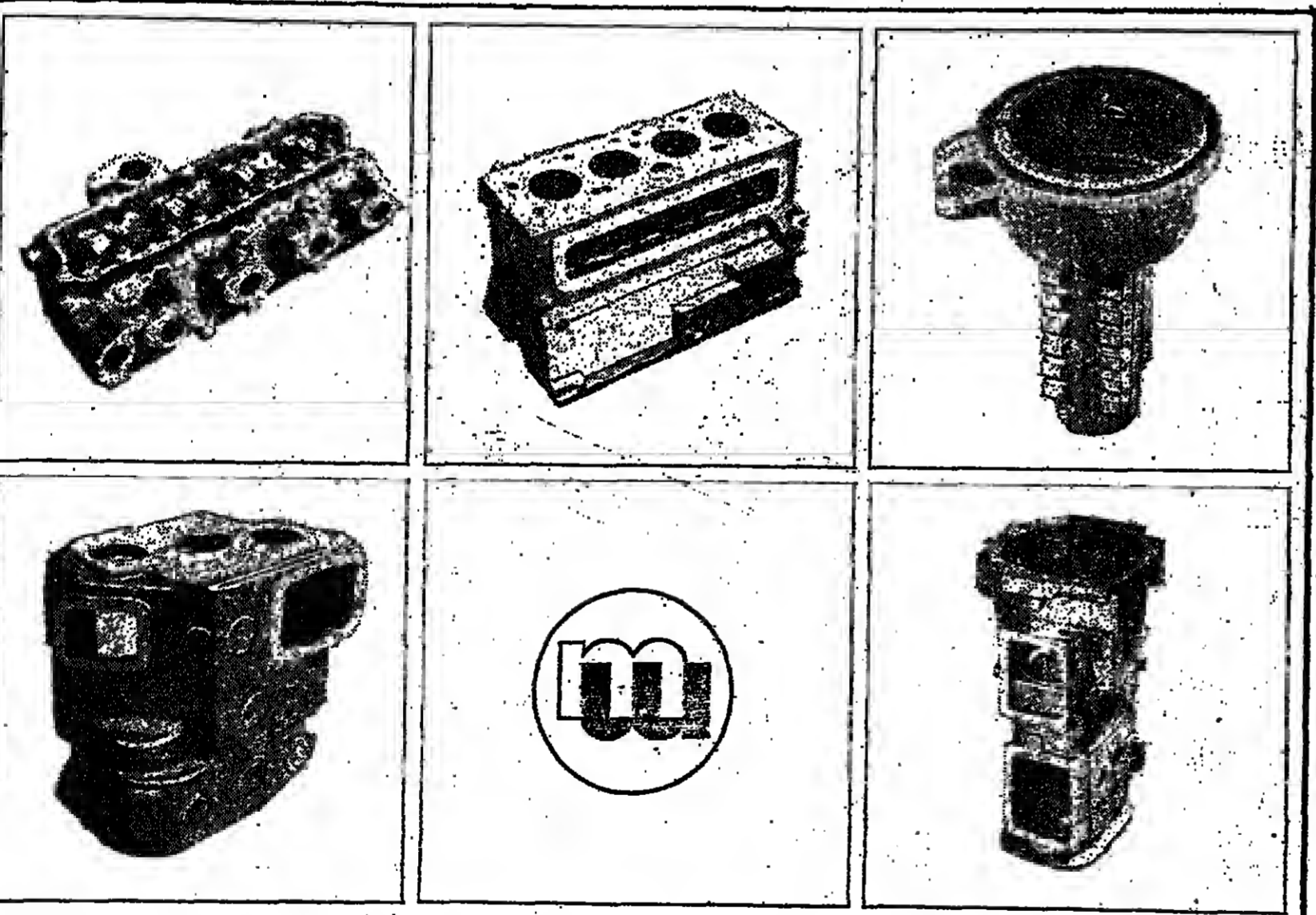
Export Division  
TARABUSI S.A.  
Tel: (94) 4339000  
Telex: 31738 tara a  
P.O. Box 487  
BILBAO (Vizcaya) Spain

**BELLOTA**

MANUFACTURING PROGRAMME

- \* Special steels
- \* Hand tools
- \* Forgings

**PATRICIO ECHEVERRIA, S. A.**  
Postal District 1 - Telephone (43) 73 00 00  
Telex: 36685 - Cable: ECHEVERRIA  
LEGAZPIA (Guipuzcoa) Spain



a foundry at world level

Our advanced technology, quality and service have helped us through many years to reach this level. If your needs are tractor, truck, transmission or diesel engines grey iron castings, we have the answer. We are leaders both in the domestic and in the export markets, having exported in 1981, 80 per cent of our total production.



**metacal**

major independent foundry in Spain

Works and Office: P.O. Box 726 - BILBAO  
Tel: (94) 449 13 50. Telex: 32756. SPAIN  
U.K. Office - Tel: (0245) 74400. Telex: 995411

Our advanced technology quality and service have

Moderates hope for gradual integration

The disputed province

NAVARRE

THE 1936-39 Spanish Civil War was also a civil war between Basques, the most lingering result of which is the still anomalous status of Navarre, the disputed, fourth Basque province. During the Civil War, the powerful and traditionalist Carlist sector of the Navarrese population fought with Franco, while most of the rest of the Basque Country sided with the Republic.

Navarre was rewarded with considerable autonomy, centred on a powerful provincial government, the Diputación Foral. The Diputación's fiscal autonomy and control of credit allowed it to invest heavily and attract industry into what was predominantly an agricultural area—one in six Navarrese still work on the land—through a variety of tax and investment concessions. The results are evident in the dense industrial belt that rings Pamplona, the provincial capital.

This structural transformation contributed heavily to a radical change in the province's political character. It tied the province more closely into the Basque economy and at the same time fomented a high degree of labour radicalisation that easily found sympathy among other Basques. The 1972 and 1973 general strikes in

Pamplona were among the most virulent challenges to be faced by the Franco regime, which put them down by force. Since Franco's death, elections have confirmed the radical dualism. In the 1976 factory council elections, Navarre was the only province in Spain not to return majorities to the Communist Workers Commissions and Socialist UGT. (then largely controlled by Trotskyists anyway), instead voting for a now defunct Maoist union in the municipal elections of 1979. Herreri Batasuna (Popular Unity), the radical nationalist movement which shares the strategy of ETA's military wing, failed to elect their candidate mayor of Pamplona by a whisker.

Separate

The vested interests grouped round the old Diputación Foral machine were meanwhile taken on board electorally by the ruling UCD, which acceded to their demands to keep Navarre separate from the emerging Basque autonomous territory by a series of effective filibusters. These interests have since gone through various transformations on their way to their real political home, in the neofascist Alianza Popular party. The Socialists, particularly since last year's abortive coup, have acquiesced in this policy,

which earlier this year was formally consecrated by an "organic law" effectively constituting Navarre as a separate autonomous territory. There for the moment the situation rests, dangerously polarised and likely to blow up at any minute.

But no Basque nationalist, moderate or radical, will renounce Navarre. For the radicals it is an article of faith. It is no less cardinal for the ruling PNV—Sr Garaikoetxea, the Basque President, is himself from Navarre.

The moderate PNV hopes, however, that integration can take place gradually by convergence, on the basis of mutual interest and trust, possibly taking the form of confederation, at least initially. Building on existing economic integration plays a key part in this strategy—there are plans for example to extend the motorway south of San Sebastian to meet the motorway which ends just north of Pamplona, now used by 7 per cent of the traffic passing through Navarre though built at a cost of Ptas 150m.

The motorway extension plan underlines two simple facts: that Navarre is too small economically to make a go of autonomy alone; and that any future it has lies in exploiting its position as the Basque Country's natural hinterland.

D.G.

ASTILLEROS ESPAÑOLES, S.A.

- 2 SHIPYARDS
- 1 FOUNDRY
- 3 DRYDOCKS FOR REPAIRS
- 2 ENGINE FACTORIES
- NEWBUILDINGS UP TO 130.000TDW.
- DRYDOCKS UP TO 16.000 TDW.
- TELEX: 27690 ASTIL E 32712 ASTIL E

BBC1

6.40-7.55 am Open University (Ultra High Frequency only)... 9.05 For Schools, Colleges, 1.00 pm News...

TELEVISION

Chris Dunkley: Tonight's Choice

It is one of those too rare days when television can rightly claim to be offering a range of programmes with something for virtually every taste...

LONDON

9.35 am Schools Programmes... 12.00 Gammoth and Spinach... 12.10 pm Gt Up and Go!...

BUSINESS LAW

Now a company may buy its shares

BY CELIA HAMPTON

THE INSTINCT of commercial man to join forces with his own kind to promote mutual advantage is a surprisingly recent phenomenon...

Bubble operated as the "Sword Blade Company," already conveniently chartered to make hollow sword blades...

that day, companies will be able to buy their own shares. By a curious chance, the illegality of this activity was based on a House of Lords case of 1887...

Channel 4

1.20 pm Channel Lunchtime News... 3.45 News... 6.00 News...

Anglia

1.20 pm Anglia News... 2.00 Not For Women Only... 4.20 Anglia News...

Border

1.20 pm Border News... 2.45 News... 4.20 Sport Billy...

Central

12.30 pm The Young Doctors... 1.20 Central News... 2.45 News...

HTV

1.20 pm HTV News... 3.50 News... 5.20 News...

Granada

1.20 pm Granada Reports... 1.30 Exchange News... 2.00 News...

Grampian

1.20 pm Grampian News... 2.45 News... 4.20 Sport Billy...

Scottish

1.20 pm Scottish News... 3.45 News... 5.15 News...

TSW

1.20 pm TSW News... 2.45 News... 4.20 Sport Billy...

TVA

1.20 pm TVA News... 3.50 News... 5.20 News...

Ulster

1.20 pm Ulster News... 3.45 News... 5.15 News...

Yorkshire

1.20 pm Yorkshire News... 2.45 News... 4.20 Sport Billy...

Tyne Tees

1.20 pm The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

Tyne Tees

6.25 am The Good Word... 6.30 North-East News... 6.45 News...

RACING

BY DOMINIC WIGAN

IT IS NOT often that Bill Watts, a trainer at Richmond, Yorkshire, sends horses to Newbury...

After her eight opponents, Bright Crocus must be the pick. On her sole appearance to date, this Warren race filly could hardly have been unlicked in defeat at Windsor...

stable companion, Work Mate, in the Childrey Maiden Stakes. Last time out, at Salisbury, according to Raceform Notebook, he suddenly took hold of the bit approaching the final furlong and tore through the field hand over fist. He is getting fitter and learning too.

RADIO

BY DOMINIC WIGAN

RAIN OF Britain 1982 (S), 12.55 Weather; Travel; Programme news...

1.00 The World at One, 1.40 The Archers, 1.55 Shipping Forecast...

1.00 am Encore (S), 2.00-5.00 You and the Night and the Music (S)...

5.00 am As Radio 2, 7.00 Mike Reid, 9.00 Stave Wright, 11.30 Oava, Las Travas...

12.30 pm The Young Doctors... 1.20 Central News... 2.45 News...

1.20 pm HTV News... 3.50 News... 5.20 News...

1.20 pm Grampian News... 2.45 News... 4.20 Sport Billy...

1.20 pm Border News... 2.45 News... 4.20 Sport Billy...

1.20 pm Anglia News... 2.00 Not For Women Only... 4.20 Anglia News...



BANCO ARABE ESPAÑOL

المصرف العربي الاسباني

ORDINARY ANNUAL GENERAL MEETING OF SHAREHOLDERS HELD In Madrid on 27th May 1982

The following are extracts from the address delivered by the Chairman of the Board of Directors, Mr. Abdullah A. Saudi...

AUDITED BALANCE SHEET (in Thousands of Spanish pesetas) - December 31st 1981

Table with columns for ASSETS and LIABILITIES AND SHAREHOLDER'S EQUITY. Includes items like Cash and Bank of Spain, Demand deposits, etc.

\*These are abbreviated financial statements extracted from those expressed in Pesetas audited by Ernst & Whimsey Full audited financial statements are available upon request to the Bank.

CONFERENCES ARE ALIVE AND KICKING IN BLACKPOOL.



Blackpool is now in the process of a multi million pound programme, which will make Blackpool probably the most versatile and comprehensive conference centre in the country.

THE PEMBROKE (Opening September 1982) Blackpool's first new hotel in 40 years with 12,000 sq ft of excellent conference facilities...

THE IMPERIAL HOTEL Blackpool's premier hotel. Up to 500 delegates, 167 bedrooms with private bath and e wide range of A.V. equipment...

Gables Hotel BALMORAL ROAD BLACKPOOL SOUTH FV4 1HR Tel: 0253 45432 (4 lines) 79 bedrooms. Can sleep up to 800...

SAVOY Hotel 130 bedrooms, 100 of which have private bathrooms. All rooms are centrally heated and have colour T.V., radio, GPO telephones and laundrette making facilities...

The Lansdowne Hotel 210 North Promenade Blackpool P11 2SA Tel: 0253 24476 75 bedrooms with colour T.V. and Tintex and Colour washing facilities. 50 en suite beds. A La Carte Restaurant, Lift, Fully Central Heating. Free In House Conference Facilities.

DORIC HOTEL QUEENS PROMENADE BLACKPOOL Tel: 0253 23640 126 Bedrooms, Bathrooms, Reception, Tea/Coffee Lines, 70 Rooms En Suite, Colour TV's, Saunas, Solarium, Swims Pool, Conference Facilities. 24/24 Family owned and managed.

The Boston Hotel 340 ULENS PROMENADE BLACKPOOL Tel: 0253 23640 400 Bedrooms - with private bath en suite, sea & coffee making facilities. Full central heating. 9 First class en suite - colour TV's. 31 Saunas. 6 Cinema rooms. 2 Night porter - lift in all 45 en suite.

WARWICK HOTEL NEW SOUTH PROMENADE Tel: 0253 42192 Special "in-house" conference facilities. Two modern conference rooms. Audio Visual Aids. Indoor swimming pool and solarium. Bedrooms with private bathrooms. Reception and television. Attractive Bars, excellent Parking.

Norbreck Castle Hotel The Largest Conference and Exhibition Hotel Complex in the North. 4 major meeting rooms. Up to 650 residential delegates. 26,000 sq ft of competitive exhibition space.

THE IMPERIAL HOTEL Blackpool's premier hotel. Up to 500 delegates, 167 bedrooms with private bath and e wide range of A.V. equipment...

Gables Hotel BALMORAL ROAD BLACKPOOL SOUTH FV4 1HR Tel: 0253 45432 (4 lines) 79 bedrooms. Can sleep up to 800...

SAVOY Hotel 130 bedrooms, 100 of which have private bathrooms. All rooms are centrally heated and have colour T.V., radio, GPO telephones and laundrette making facilities...

The Lansdowne Hotel 210 North Promenade Blackpool P11 2SA Tel: 0253 24476 75 bedrooms with colour T.V. and Tintex and Colour washing facilities. 50 en suite beds. A La Carte Restaurant, Lift, Fully Central Heating. Free In House Conference Facilities.

Form with checkboxes for conference facilities: Writer Garters, Pembroke, Imperial, etc.







ECONOMIC VIEWPOINT

What the Summit left to do

By Samuel Brittan

ALTHOUGH I saw only one of the menus of the Versailles summit and was not in personal attendance, it so happens that in the days immediately before and after I was exposed to a rich variety of standpoints from which to view the results.

The current German approach is to emphasise the control of Budget deficits and to downgrade monetary targets. It was always thought that the Reagan and Mitterrand Administrations, which began by downplaying Budget deficits for opposite ideological reasons would eventually see the light, and it is now thought that the French will do so first.

The obvious answer to what has gone wrong is the sharp rise in "real" interest rates—a concept which appeared in a summit communiqué for the first time. They are particularly high in the U.S., where the usual estimate is 7 to 8 per cent on the basis of the long term Government bond yields adjusted for inflation.



M. Jacques de Larosière, Managing Director of the IMF: to be in charge of post-Summit "surveillance"

The Americans and Germans in particular would like the IMF surveillance and studies of the effect of exchange rate intervention to become the personal responsibility of the Fund's Managing Director working closely with the Five. The BIS is in any case likely to do its own study of the last subject, but without any illusions about dispelling the argument.

country. Much more important is that if there were a run on foreign currency denominated deposits, some central banks might not have the foreign exchange to save the depositors. Open market operations in purely domestic currencies would not help here; and the international swap system would have to be used to help.



Yet something has changed in the American side. It is now accepted by President and Congress—as it was not a year ago—that the upward drift of the U.S. Budget deficit must be reversed. The argument is about the mix between tax increases, military curbs and social spending cuts.

The new attitude has come partly as a result of the realisation that the projected 1982-83 Budget deficit is not a recession-induced temporary horror and that even the long-term trend is steeply upwards.

Being short of ideas for tackling these problems the Summit leaders fell back on commitments to co-operate on policies to secure economic "convergence". There is now a new emphasis on the IMF in the mutual "surveillance" of economic policies.

unemployment is approaching 2m with little prospect of alleviation. Among commercial bankers the main worry is not co-ordination of macro-economic policies but the fear of a financial collapse triggered off by borrowers' defaults.

Lombard

The case for fairer voting

By Peter Riddell

ALL THE mutual back-slapping during President Reagan's visit to Britain about shared democratic traditions missed the key to the survival of Parliamentary institutions in the UK—something which ironically in a week marking the 150th anniversary of the signing of the Great Reform Bill.

The Tories with 39.1 per cent of the vote won five fewer seats, while the Alliance with nearly 27 per cent of the vote won only 7.7 per cent of the seats. It was only a bizarre manoeuvre involving an outgoing Labour mayor supporting a Tory which ended Labour rule.

The hallmark of the British political tradition is not democracy—a development of only the last 60 years—but adaptability. In the absence of a written constitution like that in the U.S., British political institutions have not been static, but changing to ensure acceptability.

These results are decisive evidence for reform, but of what kind? Any change has to involve greater proportionality between votes cast and seats won but absolute proportionality is not necessarily desirable.

A fresh challenge has arisen again over the electoral system. The case for reform is not a theoretical but a practical one. I write as a small conservative on constitutional issues, believing in organic change rather than mechanistic blueprints.

One of the main obstacles to change is the pedantry and obsessiveness of some of the reformers. Their enthusiasm for their own pet schemes—and nothing less—repels many sympathisers. This attitude also ignores the fact that every reform since 1832 has been dictated by the political pressures of the time with original proposals being changed.

The inadequacies of the present system were shown during the local council elections a month ago. The majority of successful candidates won with less than half the votes cast and, given the low turn-out, a third of the electorate or less.

The priority is to secure some change, not perfection. A good starting point might be local government with either a single transferable vote in large wards or the alternative vote in single-member wards.

Meanwhile it would help confidence and diminish perceived risk if the "lender of last resort" obligations of central banks, to prevent a mass destruction of bank deposits, were split out by the BIS, or the Group of Five or the summiters or some other worthy body.

Changing the electoral system will neither remedy any of Britain's basic problems nor, contrary to the hopes of some reformers, necessarily produce more consistent economic management. Reform does, however, offer the chance of renewing support for the Parliamentary system itself.

Bizarre

In the local elections the Alliance gained just over 25 per cent of the vote in England yet won less than 8 per cent of the seats.

The main objection is that the results grossly distort the wishes of the electorate. In the London Borough of Lambeth there was an undoubted swing against Labour, reflected in a fall in its share of votes cast since the 1978 elections from 49.2 to 33.5 per cent, yet the party still won half the seats.

Letters to the Editor

The true tax burden suffered by banks is very great

From the Secretary-General, Committee of London Clearing Bankers. Sir, No one would dispute your view (June 8) that bank taxation should be equitable. What is distressing is that you have once again assumed—without any analysis of the facts—that the effective tax burden on banks is currently unduly light.

sheet structure of banks is imprudent & unacceptable. The degree of maturity transformation has increased as they have extended more longer-term loans, and there is a limit to the extent to which such lending can be financed by short-term deposits. This is a matter all banks keep under careful review.

accumulation of capital through retained profits to the pursuit of new types of business. Like other rational business enterprises, banks seek to enter new markets as and when they seem commercially attractive.

The unwary financier From Mr K. Shilleto Sir, Jeffrey Brown (Financials take a wary view, June 3) is a little soft on the gullibility of banks. A major contributory factor to the present shipping surplus, if seldom attributed, was the profusion of consultant and brokerage reports (mea culpa) that appeared during the early 1970s and which, to a lesser extent, are published today.

Cross-Channel links

From Mr A. Gusterbock Sir, Mr K. W. Groves (May 29) continues to extol the virtues of EuroRoute which he claims can be built in less time than a Channel tunnel. This is a truly remarkable claim to be able to construct, in four years, a mix of bridges, artificial islands and tunnels under and over a stretch of 22 miles of water, when the construction time for a typical bridge spanning less than a mile of water takes about the same time.

between 54.6bn and 56bn and confirmed as being within 20 per cent either way of actual cost. This estimate was subsequently revised to 3.8bn—the figure currently being promoted. Such a wide range of variation of estimates in a matter of months destroys all confidence in the value of such figures.

though, with roll-on roll-off capability for road vehicles, it would have an ultimate road vehicle throughput capacity equal to EuroRoute, at approximately a third of the cost. Such a tunnel concept would be a low-technology project employing tried and proven methods of construction requiring none of the technological breakthroughs associated with EuroRoute.

From the European Representatives, Mid-Channel Access Corporation Sir, Mr K. W. Groves' letter of May 29 about the EuroRoute rail and road cross-Channel plan makes a good point. It makes the French and British authorities re-prepared to accept his alternative to a bored tunnel. In that case, we can reduce the time of construction by two years and substantially increase the rate of return to investors.

Other Airlines Fly you to New York. Only Pan Am Flies you to Manhattan.

As from 1st June Pan Am First Class and Clipper® Class passengers can fly all the way to Manhattan and back. Via a new free helicopter service between the Pan Am Worldport® at J.F.K. International Airport and the East 60th Street Heliport in Manhattan.



Only Pan Am First Class and Clipper Class passengers are offered this exclusive service. Simply make your helicopter reservation when booking your Pan Am transatlantic flight, and Manhattan is just 8 minutes away, instead of an hour, from the airport.

So if you're headed for Manhattan go all the way with Pan Am. We'll make your trip a much better experience. For further information about this service ask your travel agent for details or phone your Pan Am office.

Phone Pan Am. London 01-409 0688 Birmingham 021-236 9561 Manchester 061-832 7626 Glasgow 041-248 5744 Prestel 215747

Pan Am. You Can't Beat the Experience.





MINING NEWS

Agnico-Eagle's faith in gold

BY KENNETH MARSTON, MINING EDITOR

UNDISMAYED by the fall in prices of gold and silver which resulted in last year's net profits dropping to C\$4.5m (£2m) or 32 cents per share, from C\$18m in 1980, Canada's Agnico-Eagle Mines has embarked on a production expansion phase. The groundwork for this was laid last year in accelerated underground exploration and mine development programmes which will be continued in the current year's work also. The new CS12m No. 2 shaft at the Eagle gold mine which is due to be completed by the end of 1983. Mr Paul Penna, president of Agnico-Eagle, says: "It is inevitable that the downturn in bullion prices will be reflected when interest rates are brought back to normal levels with a resultant restoration of economic activity and growth. The real fundamentals underlying the established pattern of steady appreciation in the international value and importance of gold remain unchanged. Because efforts were concentrated on underground development work rather than on gold production during last year's fall in bullion prices, the amount of ore milled fell by 19 per cent to 290,430 tons. This, together with the effects of a reduced grade of ore, resulted in gold production falling to 40,328 oz from 53,190 oz. This year, however, it is intended to raise ore milled to an annual rate of 432,000 tons and this should produce a further reduction in unit costs. Output of precious metals should also increase but that of silver may continue to be restricted until the metal price improves; the value of bullion and concentrates on hand rose to C\$1.86m last year from C\$683,337. Meanwhile, Agnico-Eagle has embarked on a resort development venture on Providenciales Island at the Turks and Caicos Islands in the British West Indies. Parcels of land have been acquired for some \$900,000 and it is intended to carry out holiday hotel development.

Teck arranges the bank finance for Bullmoose

CANADA'S Teck Corporation reports that it has now arranged with a consortium of banks the financing for its 51 per cent share of the C\$800m (£133.5m) Bullmoose coking and steam coal project in north-east British Columbia, reports John Saganich from Toronto. Leveraged Mining has a 39 per cent stake in Bullmoose with Japan's Nishio-Iwad holding the remaining 10 per cent. Teck says that the project is proceeding on schedule. Site clearing for the coal washing plant is well under way and contracts have been awarded for construction. The townsite, rail and port infrastructure programmes are also on schedule. They also relate to the big Quintette coal mining development in the area which is being carried out by DeBeers Mines and associates. Dr Norman B. Keovil, president of Teck, points out that the completion of the Bullmoose mine will provide the company with a stable earnings base to level out the cyclical extremes occasionally experienced in the metals side of the business.

RESULTS AND ACCOUNTS IN BRIEF

GASKELL BROADLOOM (carpet maker and distributor)—Results for 1981 already known. Fixed assets £2.2m (£3.4m); Current assets £7.83m (£8.75m); Current liabilities £3.86m (£4.61m) including bank overdraft £1.36m (£1.25m); Shareholders' funds £3.33m (£2.24m); Decrease in net liquid funds £1.09m (£872,000 increase); Meeting: Blackburn, June 26, noon. COMBINED ENGLISH STORES GROUP—Results for year to January 30 1982 and prospects already known. Group fixed assets £12.45m (£12.45m); net current assets £15.08m (£12.44m); stock £20.69m (£18.24m); Shareholders' funds £26.41m (£27.88m); Decrease in net liquid funds £1.2m (£2.85m); Capital commitments £1.44m (£2.51m); Meeting: Institute of Directors, 115 Pall Mall, SW, July 1, noon. BRITISH HOME STORES—Results for the year to April 3 1982 already known. Shareholders' funds £150.33m (£150.33m); Net current assets £16.12m (£41.06m), including cash and short-term deposits £29.74m (£24.35m); Net decrease in working capital £4.12m (£2.13m), including decrease in stocks £2.7m (£34,000); Raising chairman, Sir Jack Callaghan, any forecast for retail volume sales in 1982 suggest no increase. He adds that group has financial strength to finance continued refurbishment and expansion of stores. Sir Jack will be succeeded by Sir Maurice Hodgson, who joined the board in April, after the annual meeting to be held at the Connaught Rooms, WC, on June 30, at 11.30 a.m. SCOTTISH AGRICULTURAL SECURITIES CORPORATION—Results for the year to March 31 1982 already known. Fixed assets: £16.97m (£17.05m); Net current liabilities: £72,000 (£1.35m); Decrease in working capital: £77,000 (£3,000); Meeting: Edinburgh, June 28, 2.45 pm. HAMBERS STORES—Results for year ended February 6 1982 already known. Group fixed assets £20.12m (£16.05m); net current assets £8.22m (£4.27m); Shareholders' funds £20.46m (£17.4m); Meeting: Grosvenor Hotel, EC, July 8 at noon.

Jewellery sector causes sharp decline at Comet

SHARPLY LOWER first half profits were returned by Comet Group following serious difficulties in its jewellery division. At the pre-tax level they emerged £1.63m down at £4.11m although turnover for the period to February 27, 1982 came through well ahead at £135.02m, compared with £118.14m. The directors say that the continued fall in the price of gold reduced the group's margins on sales explaining that the gold was purchased at a higher price than currently prevails. They add that further costs were incurred in closing another factory and that the U.S. subsidiary is also being shut down. These actions, they point out, reduced group profits by £220,000. Although further losses will be incurred during the second half, a substantial improvement is expected by the division thereafter. On the outlook for the group as a whole the directors expect the continued squeeze on real incomes to have an effect on sales—apart from jewellery, the group retails electrical goods, gas appliances and home improvement products. Although they do not foresee a rapid improvement in current conditions they expect the 14.3 per cent increase in first half turnover to be exceeded in the second six months. They conclude that actions taken will improve the situations of the group's newer divisions. Meanwhile, the net interim dividend is being held at 1.47p per 5p share—a final of 2.53p was paid for 1980/81 from pre-tax profits of £7.21m. First half earnings per share are given as 9.7p (13.7p). Tax took £167,000 (£197,000) and after dividend payments of £438,000 (same) the retained balance showed a drop from £5.11m to £3.49m. The electrical stores traded satisfactorily. Profits increased and turnover was substantially ahead. Timberland and James McConomy incurred costs as a result of corrective actions and returned increased losses, but both divisions are now showing "improving trends." Ideal Timber, which has reduced its dependence upon internal trade, increased its turnover to external customers substantially. The off-take by Timberland was reduced and although Ideal's profits fell, growth is expected to resume very shortly. Polaroid remained profitable, but the effects of the recession reduced its profit contribution. The remaining group companies did not affect its affairs materially. Shareholders' funds at February 27 are shown as £35m (£31.08m) and net current assets at £20.15m (£23.11m).

analysts had anticipated. However if, as the company intends, these measures are once-and-for-all then in the context of the year as a whole it is simply a matter of timing. The current year should, therefore, prove to be the bottom of the company's profits trough with a substantial upturn possible in 1982-83. Fortunately the major activity of electrical stores performed well during the half year with buoyant consumer spending raising volume which, because of further tightening of productivity, translated into profit gains. Also the strong cost position remains a sizable contributor. Surgery and new management at the loss makers are unlikely to have any significant effect on the second half, especially at McConomy where the testing period will be next Christmas. Expectations must, therefore, be for a little changed second six months against a year ago, leaving the pre-tax outcome around £5.5m. Yesterday the shares rose 1p to 114p for a fully taxed prospective p/e looking to better times at 17.

WELLCO

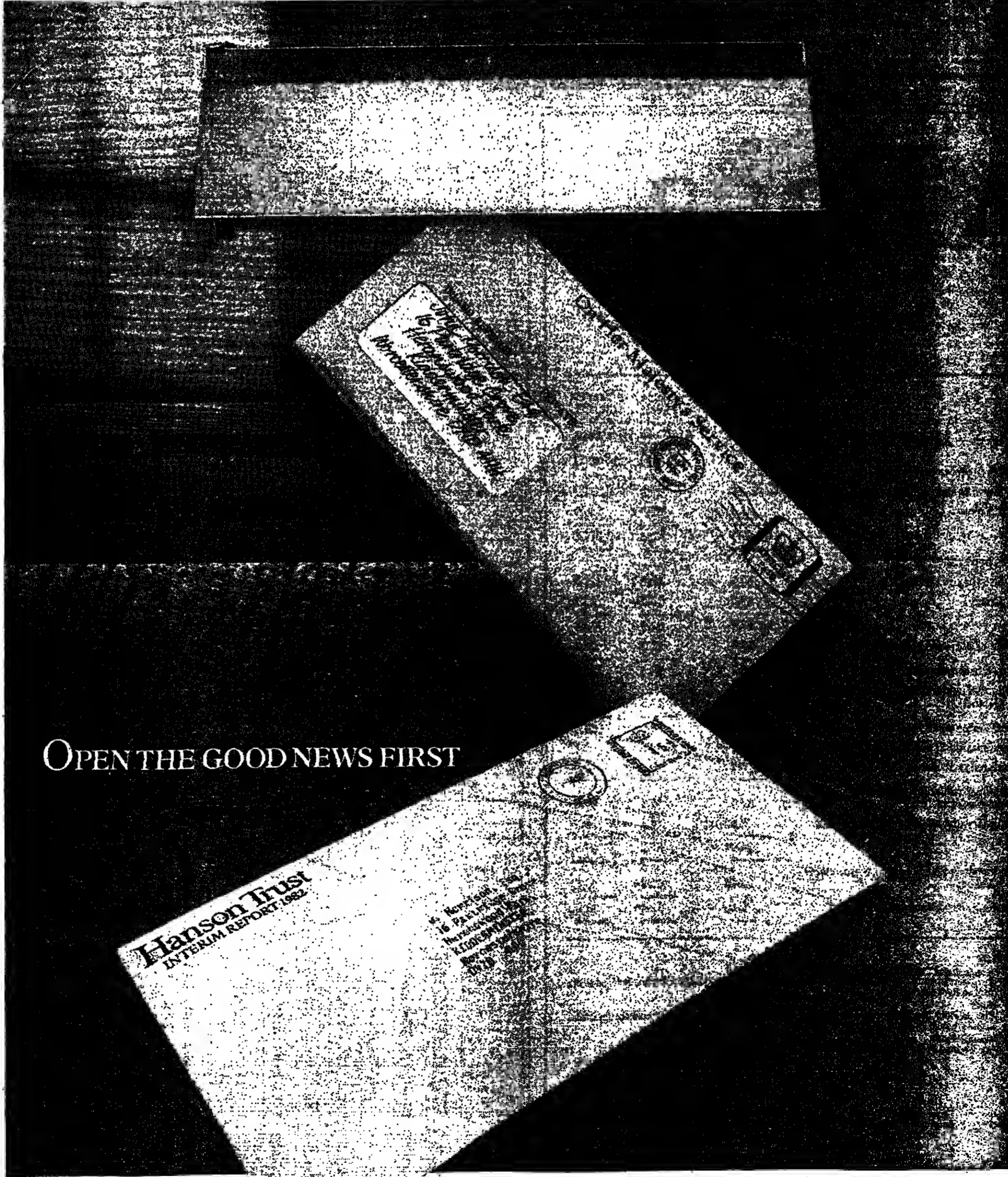
At an extraordinary meeting of Wellco Holdings held in London today, all the resolutions relating to the proposed structural reorganisation of the company, were unanimously passed. These included the proposed change of name of the company to Grosvenor Group.

Audiotronic losses rise to £0.25m

PRE-TAX losses of Audiotronic Holdings, the electronics distributor, rose from £78,000 to £251,000 in the year to March 1 1982—including losses of £329,900 compared with £84,000, for companies which have ceased trading or been disposed of since the year end. With losses per share stated at 4.2p (0.2p) the dividend is again being missed. The year's turnover fell from £12.59m to £8.47m including £5.92m (£10.07m) for the closed-down or disposed of subsidiaries. The taxable losses were struck after an exceptional debit of £15,000 (£153,000 credit). There was a tax credit of £28,000 (£156,000) leaving net losses of £238,000 (£236,000 profits). As reported on May 25 Audiotronic sold its loss-making Dutch retail subsidiary Allwave for £24,000. The difference between the net assets of Allwave at the year end and the sale proceeds had been charged as an extraordinary debit of £203,000—last year there was an extraordinary credit of £28,000. Of the £320,000 losses incurred by subsidiaries closed down or sold since the year end, Allwave contributed £284,000. Also reported on May 25, Audiotronic plans a major capital restructuring which would include the raising of about £400,000, although details of this have still to be settled.

Carless Capel down at £1.79m

AS FORECAST at the time of the group's rights issue last May, pre-tax profits at Carless Capel and Leonard were £1.79m for the year to March 31 1982. This compares with previous profits of £4.8m. Turnover moved ahead from £37.63m to £74.84m. The dividend has been held at 1.75p net on capital enlarged by the rights issue. Earnings per 10p share were shown as falling from 10.7p to 9p. The directors state that they intend to at least maintain the current level of dividend for next year. The group continue to hold its share of markets and is ready to take advantage of any upturn in the UK economy, say the directors. They point out that the results were achieved in difficult trading conditions which are still being experienced by oil and petrochemicals. They add that commissioning trials on the £2.3m extraction plant at Harwich refinery are well advanced, which will be fully operational within a month. Since November 1981 Carless Exploration has drilled four UK wells, three of which were successful and the fourth, an appraisal well at Humby Grove, flowed 750 bopd. Two offshore wells in the North Sea on block 16/21b flowed on test 6,450 and 5,100 bopd respectively. The company has confirmed an extension of the adjacent Balmoral field. In the U.S. an independent evaluation of Carless Resources Oil and Gas Properties as of April 1 1982 estimated that developed and proven producing reserves exceed 4.5bn cubic feet of oil. A net cash flow of \$6m is anticipated from these properties in the year starting April 1 1982 which will make a substantial profit contribution during this year, say the directors. comment As forecast at the time of the recent rights issue, Carless has turned in a dull set of figures. The company's traditional businesses—petroleum products and chemicals—remain soggy and show little signs of a pick-up. The shares, down 1p to 177p yesterday, still float on a sky-high rating which moves over to an adjacent area with the company expecting to sink at least five new holes in the full year. Nonetheless, shareholders should not expect profits to flow from Humby until the end of 1984. In the meantime, the U.S. activities are providing a comfortable cash flow and could add as much as £1.5m to this year's pre-tax total. This points to about £3.5m for the year. The yield is about 2.2 per cent.



**BROWNLEE** PUBLIC LIMITED COMPANY  
Importers and merchants of timber based products, building materials and components.  
**Dividend Maintained**  
for the year ended 27th March 1982  
1982 1981  
£000's £000's  
SALES 23,856 23,636  
TRADING PROFIT 785 1,456  
ASSOCIATED COMPANIES (323) (47)  
PROFIT BEFORE TAX 462 1,409  
EARNINGS PER ORD. SHARE  
From Brownlee trading result 6.3p 10.5p  
Associated companies' loss (2.8p) —  
ORDINARY DIVIDEND 3.7p 3.7p  
Comments by the Chairman, Mr. J. F. McLelland:  
\* Despite some early promise, 1981/82 probably one of the most difficult periods of the trade's history.  
\* Adverse conditions affecting the building industry caused considerable fall in trading profit.  
\* Major associated company suffered substantial loss. Sale of interest being negotiated.  
\* Current year uncertain although appreciable increase in demand from private housing sector evident in recent weeks.  
Annual General Meeting: 14th July 1982  
Report & Accounts to be mailed on 18th June.  
Copies can be obtained thereafter from the Secretary, City Saw Mills, Part Dundas, Glasgow G4 9TP

**NEW! UNIQUE! FREE!**  
FTB's 60 minute presentation on Financial Communications.  
Ring Alex Hurst, FTB's Chief Executive, on **01-405 8733**  
and make a date to see this interesting presentation.  
**Foster Turner & Benson Advertising Ltd**  
Chancery House, Chancery Lane, London WC2A 1QU

**OPEN THE GOOD NEWS FIRST**  
Happily Mr. Morrison can start his day with a smile. Because he is about to discover Hanson Trust's interim profit and earnings per share have increased yet again. And the dividend is up again, too.  
For the six months up to March 31 1982, Hanson Trust are reporting pre-tax profit up 21% to £22.1m (£18.2m); another record first half. Earnings per share are up to 6.5p from 5.4p (adjusted) and the interim dividend is up 17% to 2.5p.  
A firm footing to launch a second half aimed at establishing Hanson Trust's nineteenth consecutive year of increased profit. Continuing evidence of the success to be gained from pursuing a policy of investing in nothing but good basic industries both in the United States and the United Kingdom. If you would like to open some good news yourself, why not write to Hanson Trust PLC, FREEPOST, London SW3 1BR, (no stamp required) or telephone 01-589 7070.  
**Hanson Trust**  
The industrial management company where people are as valued as assets.

UK COMPANY NEWS

REPORTS TO MEETINGS

BAT repulses query on smoking policies

BAT Industries yesterday repulsed an attempt by disident shareholders to get the company to provide a report on its policy on encouraging smoking in developing countries.

BIDS AND DEALS

Braid gives reasons for rejecting Lookers

Braid Group, the Liverpool vehicle distributor which is fighting off a bid from its Manchester-based rival Lookers, yesterday released detailed reasons for its opposition.

APPOINTMENTS

Senior post at NatWest

Mr Terry Green has been appointed deputy general manager of NATIONAL WESTMINSTER BANK'S international banking division from October 1.

BOARD MEETINGS

The following companies have notified their shareholders of board meetings to be held on the dates shown below.

Ottoman looks to hive off network in Turkey

THE Turkish-registered Ottoman Bank has reopened talks aimed at hiving off the bank's branch network in Turkey as a separate company.

Ever Ready moving plans redundancies

British Ever Ready, the battery maker recently acquired by Hanson Trust, yesterday announced plans to move its head office at Whetstone and its group technical centre at Tottenham.

Liberty Life pushes up Sun Life stake to 24%

Transatlantic Insurance Holdings, the European arm of Liberty Life Association of America, has increased its stake in Sun Life Assurance Society to 24 per cent.

Electronic Rentals' EGM

Full order documents of the agreed bid by Electronic Rentals Group for London and Mootrose Trust were sent out to shareholders yesterday.

Universal Insurance aims for general market

The authorised share capital is £10m in 10m shares of £1 each, 4.5m have been issued.

Norton Warburg

DISTRIBUTIONS to the unsecured creditors of the Norton Warburg group of companies are likely to be very small.

EXCO TAKES CONTROL OF REA GODSELL

Goßell Australia, a wholly owned subsidiary of Exco International, has increased its holding in R. F. A. Godsell Pty, based in Sydney, to 57 per cent.

Dares Estates' £0.68m deals

Dares Estates has exchanged contracts for the purchase of properties at Walsall and at the Woodbridge industrial estate, near Wimborne, Dorset.

U.S. expansion by Pearson Longman

Westminster Press, a wholly-owned subsidiary of Pearson Longman has bought two free weekly magazine titles in Jacksonville, Florida for \$2.1m.

Table with columns: EUROPEAN OPTIONS EXCHANGE, Series, Vol., Aug, Last, Vol., Nov, Last, Vol., Feb, Last, Stock.

Bass Public Limited Company Interim Statement

Table with columns: 28 weeks to 10.4.82, 28 weeks to 11.4.81, Year to 30.9.81. Rows include Sales to customers, Trading Profit, Cost of borrowing, etc.

NOTES: 1. Acquisition of Coral Leisure Group Limited. 2. Sales. 3. Trading Profit. 4. The cost of borrowing is increased by the inclusion of the interest for 28 weeks (1981-17 weeks) on former Coral borrowings.

LONDON TRADED OPTIONS

Table with columns: Option, Ex. rate, Closing price, Vol., Closing offer, Vol., Closing offer, Vol., Equity class.

Tyndall Life takes on UK assurance market

By ERIC SHORT Tyndall Group, a subsidiary of Goba Investment Trust, has launched a new company Tyndall Life, with the aim of becoming a major force in UK life assurance.

F. J. Reed Taylor and Co. Ltd.

F. J. REED TAYLOR AND COMPANY LTD. has announced that Mr Colin A. Lewis is to succeed Mr F. J. Reed Taylor as Managing Director.

Mr Martin Warner has been appointed

Mr Martin Warner has been appointed to succeed Mr G. H. Dunning as Managing Director of DUN AND BRAD STREET.

Mr Trevor Lafferty has been appointed

Mr Trevor Lafferty has been appointed managing director of NEXEL.

Mr Malcolm Lattin has been appointed

Mr Malcolm Lattin has been appointed marketing director of MENDEL BROTHERS, manufacturer of Embee plastic products.

Mr John Evans has been appointed

Mr John Evans has been appointed managing director of DATAGRAPH UK subsidiary of Datagraph Inc of San Diego.

Mr G. E. Banks, director of the

Mr G. E. Banks, director of the Confederation for the Registration of Gas Installers (CORGI) and chairman of CORGI Council, has become president of the INSTITUTE OF PLUMBING.

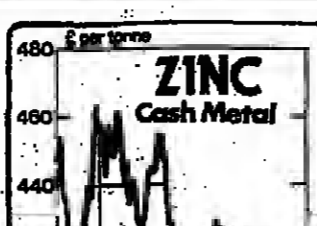
M. J. H. Nightingale & Co. Limited. 27/28 Lovat Lane London EC3R 9EB. Telephone 01-621 1212.

Sugar falls below £100 mark

By Terry Foley... RAW SUGAR prices on the London futures market fell yesterday after the daily price had been set at \$99 per tonne in the morning...

Zinc producer price cut

By JOHN EDWARDS, COMMODITIES EDITOR... ANOTHER cut in the European zinc producer price, from \$800 to \$800 a tonne, was announced yesterday in Frankfurt...



At Noranda's Valleyfield zinc refinery in Quebec and a decline in U.S. slab zinc stocks held by smelters during May...

Strawberry crop warning

By Sara Evans... STRAWBERRY growers in Cambridgeshire and West Norfolk have warned that this year's crop for sale to processors will be much smaller than usual...

SIXTH TIN AGREEMENT Producers ready to go ahead

BY WONG SULONG IN KUALA LUMPUR... TIN PRODUCING countries, led by a reluctant Malaysia, are expected to tell a crucial UN sponsored meeting in Geneva today that they are prepared to enter into the sixth international tin agreement...

Gasoline futures contract plan

By Our Commodities Editor... A FUTURE contract for gasoline (petrol) is to be introduced on the International Petroleum Exchange in London early next year...

Book calls for pesticide ban

BY RICHARD MOONEY... NEW PRESSURE is put on the Government today for the outlawing of the controversial pesticide 245-T with the publication of a paper-back book...

Record U.S. wheat crop

By Our Commodities Staff... WINTER wheat production in the U.S. for 1981/82 could reach a record 2.15bn bushels, according to private crop forecaster Mr Conrad Kushel...

U.S. takes a hard line

BY BRIJ KHANDARIA IN GENEVA... THE SRI LANKANS confronting the proposed new tin agreement stem partly from a hard line position against it by the U.S. Administration...

LONDON OIL SPOT PRICES

Table of oil spot prices including Brent, Arab Light, and African Heavy Fuel Oil with prices in \$/barrel.

GAS OIL FUTURES

Table of gas oil futures prices for various months (July, August, September, October, November, December) with prices in \$/tonne.

BRITISH COMMODITY MARKETS

Table of British commodity markets including Copper, Silver, Tin, Lead, Zinc, and Nickel prices.

RUBBER

Table of rubber prices for various grades (RSS, SMR) and origins (Thailand, Malaysia, Indonesia).

AMERICAN MARKETS

Table of American market prices for commodities like Wheat, Soybean Meal, and Soybean Oil.

GOLD MARKETS

Gold fell \$2 an ounce from Tuesday's close in the London market yesterday to close at \$329.324...

LONDON FUTURES

Table of London futures prices for various commodities including Tin, Lead, Zinc, and Nickel.

COFFEE

Table of coffee prices for various grades (Arabica, Robusta) and origins (Brazil, Colombia, India).

SOYABEAN MEAL

Table of soyabean meal prices for various grades and origins.

PRICE CHANGES

Table of price changes for various commodities like Metals, Rubber, and Oil.

Tuesday's closing prices

Table of Tuesday's closing prices for various commodities including Wheat, Soybean Meal, and Soybean Oil.

EUROPEAN MARKETS

Table of European market prices for various commodities like Wheat, Soybean Meal, and Soybean Oil.

Gold Bullion (fine ounce)

Table of gold bullion prices for various origins and grades.

LEAD

Table of lead prices for various grades and origins.

ZINC

Table of zinc prices for various grades and origins.

GRAINS

Table of grain prices for various types (Wheat, Barley, Oats) and origins.

INDICES

Table of various financial indices including Dow Jones, FTSE 100, and others.

LIFFE advertisement with contact information for London Metal Brokers.

LONDON METAL BROKERS advertisement with contact information.

GRAINS advertisement with contact information.

WHEAT advertisement with contact information.

Wool Futures advertisement with contact information.

Bright Futures advertisement for Charrington & Wood Ltd, featuring a large graphic and contact details.

Construction side likely to curb FMC

By Terry Byland
FMC, the U.S. defence industry...

Cities Service offers \$1.3bn for Mesa

By PAUL BETTS IN NEW YORK
CITIES SERVICE, the 20th largest U.S. oil company...

Citicorp stakes claim to the sky

By Our New York Staff
CITICORP, the large New York bank...

Malaysia to raise \$1bn Eurocredit

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT
MALAYSIA IS raising a \$1bn credit in the Euromarkets...

Eurobond prices fall amid heavy selling

BY ALAN FRIEDMAN
THE Eurodollar bond market continued its shake-out yesterday...

Computer makers try to boost consumer market

BY LOUISE KENOE IN HOUSTON
U.S. and Japanese computer manufacturers are introducing machines...

Disney hints at video price cuts

By Our Financial Staff
WALT DISNEY Productions said yesterday it may reduce prices on video cassettes...

X-MONEY MARKETS FOREX-MONEY MARKETS FOREX-MONEY MAR

No-one knows more about Pacific Basin currency dealing than we do.

Bank of New South Wales - Australia's largest banking group - has integrated the London business of The Commercial Bank of Australia Limited...

Bank of America back at the top

By Our Financial Staff
BANK OF AMERICA has regained its position as the world's largest bank...

Bell Canada to cut spending

By Our Financial Staff
"SUBSTANTIAL CUTS" in both capital spending and operating costs are planned this year...

FT INTERNATIONAL BOND SERVICE

Table with columns: U.S. DOLLAR STRAIGHTS, OTHER STRAIGHTS, FLOATING RATE NOTES, BRITISH MARK STRAIGHTS, SWISS FRANC STRAIGHTS, YEN STRAIGHTS. Includes bond names, issued dates, bid/offer prices, and yields.

Telephone our London Dealing Room (01) 283 5321
Telex: 8956425 Reuter Monitor page code: WSXD
Reuters; direct dealing code: NSWL
Bank of New South Wales (Incorporated in Australia with limited liability)
First Bank in Australia
Walbrook House 23 Walbrook London EC4N 8LD

# Volvo acquires Hamilton Bros stakes for \$77m

BY WILLIAM DULLFORCE, NORDIC EDITOR, IN STOCKHOLM

**VOLVO** is paying \$77m for shares in three oil companies belonging to the Hamilton Brothers group of the U.S. It is buying out the stock held by Mr Ferris Hamilton, who founded the group together with his brother Frederic.

Mr Pehr Gyllenhammar, Volvo managing director, said the purchase would open up for the Swedish motor industrial and trading group opportunities within the energy sector which went far beyond the initial investment. Volvo would, for instance, acquire participating rights in 29 British North Sea blocks, including the Argyll and Bruce Fields.

Volvo will obtain about 25 per cent of the stock in Hamilton Brothers Petroleum Corporation (Petcorp), of Denver, Colorado, whose shares are traded over the counter in the U.S.

It will acquire 10 per cent of Hamilton Oil Great Britain (HOGB), which has a London Stock Exchange listing and holds the rights to the British fields.

Lastly, it will get 50 per cent of Hamilton Brothers Oil Company (OilCo), a privately owned management company participating in several joint ventures with other American and international companies exploring for and producing oil and gas.

Letters of intent have been signed and the deal is expected to be completed by July 15. It is subject to the approval of the U.S. and Swedish authorities.

In announcing Volvo's current SKr 600m (\$103m) rights issue earlier this year Mr Gyllenhammar stated that Volvo was in the market for "an existing oil company with good oil and gas reserves" for its subsidiary, Volvo Energy. Legal and tax issues will decide whether Volvo Energy or Volvo's North American subsidiary will formally buy Mr Hamilton's shares but Volvo Energy will have executive responsibility.

Hamilton Petcorp reported earnings of \$53m on a \$160m turnover last year. It is active in oil and gas exploration and production in the U.S., Canada and

the North Sea and to a smaller extent elsewhere. It owned proven reserves of oil and gas equivalent to 69.2m barrels at the end of 1981 and produced during the year an average of 5,745 barrels a day.

HOGB made a pre-tax profit of \$13m (\$23m) on a \$20m turnover last year. Its share of output was 2,567 barrels a day on average and its proven reserves totalled 4.58m barrels.

Mr Gyllenhammar said cash flow from Volvo's Hamilton investment would initially be limited to dividends but the opportunities for participating in new oil and gas exploration would be restricted only by Volvo's spending capacity. The capacity of Hamilton's management was much larger than the size of its current holdings.

At the end of March Volvo held liquid assets totalling just under SKr 60n. It is taking up new share capital amounting to well over SKr 1bn through its rights issue and issues entered through subsidiaries.

Volvo Energy, which incurred



Mr Pehr Gyllenhammar

# Montedison move to buy U.S. group

By James Sutton in Rome

**MONTEDISON**, the troubled Italian chemical group whose pharmaceutical division is currently its brightest spot, is to buy a small and successful U.S. pharmaceutical concern, Kallestad Laboratories.

Kallestad, which is based at Austin, Texas, is to merge with the U.S. subsidiary of Montedison International, the Zurich-based holding company. Provided Kallestad shareholders approve, they will be offered \$25 for each of their shares.

Kallestad has made important progress in diagnostic systems in the immunological field. In the past six years it has grown by an average of 31 per cent a year and last year had a turnover of about \$20m. It sells in the U.S. and exports to Canada, the Far East and South Africa.

For Montedison the acquisition fits in with its strategy of taking research and development shortcuts by buying know-how. The sum of £200bn (\$150m) was set aside for acquisitions of this kind last year, and this is the first to materialise.

# Thomson to produce JVC video range under licence

BY TERRY DODSWORTH IN PARIS

**THOMSON-BRANDT**, the recently nationalised French electronics group, has reached agreement to manufacture the JVC range of video tape recorders under licence from the Japanese company. Production is expected to start within a few months, with the aim of building up to an output of 100,000 units by 1983.

The Thomson decision comes about a year after the company's exit from a joint project to manufacture JVC's video equipment in Europe in collaboration with Thorn EMI of the UK and AEG Teletekniken of West Germany.

Thomson was to have had responsibility for the video camera part of this deal, but pulled out under pressure from

the Government, which apparently felt that the company would have too limited a role in the joint venture.

The video project illustrates the new orientation of Thomson-Brandt towards the consumer electronics industries. It follows the company's recent abandonment of its business-orientated video-disc programme, which was dropped in favour of plans to develop mass-market technology in this field.

Under the government plans for the nationalised industry, Thomson has been given the role of helping develop a broadly-based French consumer electronics industry, a sector in which France is a big importer. Dutch Philips also decided

recently to begin manufacturing its own range of video recorders in France at its Radiotechnique subsidiary.

Christian Dior, the fashion house which is part of the troubled Agache-Wilbot group, reports a rise of 43 per cent to FFr 2.7bn (\$432m) in worldwide sales for 1981. Profits before depreciation and risk provisions were 36 per cent higher at FFr 78m.

The company is working on a medium-term development plan, details of which will be made public by the end of October. Because of the preponderance of "indirect" sales through licensees, Dior wants to get a better grip on its "direct" sales.

# German Brown Boveri falters

BY OUR FINANCIAL STAFF

**THE WEAK** domestic economy and poor margins on export business continue to depress the results of Brown Boveri and Cie, the West German subsidiary of the Swiss engineering group.

This was explained to the annual meeting by Herr Herbert Gassert, the board chairman. He said both turnover and incoming orders for the first four months of 1982 rose by only 3 per cent on a group basis from the levels of the comparable 1981 period. Despite an increase of around

a sixth in sales, after tax profits last year dropped by 34 per cent to DM 20.2m (\$8.4m) and as a result the dividend was reduced from DM 8 a share to DM 6.

Commenting on the decision to reduce the dividend for 1981, Herr Gassert said BBC could have maintained the dividend if last year's collapse in profits had been a one-time occurrence with signs of an immediate recovery. "Unfortunately, this was not the case."

Herr Gassert said domestic business was particularly hard

hit while foreign business suffered from strong competition on prices and other contract conditions. Apart from one order for a steam-fired power station, business in industrial plant construction was poor.

In addition the mass production goods division, with its strong dependence on the domestic housing industry, was still suffering a weak sales volume. This division would probably benefit from recovery in the domestic economy arising from falling interest rates.

# Norwegian bank moves ahead

BY FAY GJETER IN OSLO

**NORWAY'S** largest commercial bank, Den Norske Creditbank (DnCB), reports increased profits for the first four months of this year compared with the same period of 1981, despite continuing tight government credit curbs which have hit profitability.

Operating profits — before

provision for bad debts—reached Nkr 128m (\$21m) in January-April, or 1.29 per cent of average capital employed. This compares with Nkr 109.4m and 1.32 per cent.

Net interest earnings, including commission on credit and dividends received, totalled Nkr 327.3m, corresponding to

3.3 per cent of average capital employed. This compares with Nkr 263.5m and 3.18 per cent. The report says there is no sign of any significant relaxation in the Government's tight credit policy, though it notes that primary reserve requirements were reduced from May 1 to 8 per cent from 10 per cent.

# Sales at Hunter Douglas decline in first quarter

BY WALTER ELLIS IN AMSTERDAM

**HUNTER DOUGLAS**, the Dutch-based producer of aluminium products, reports 1982 first quarter sales of \$128.6m, compared with \$139.5m for the same period last year.

The company, which incurred a loss of \$8.5m in 1981, had been expecting an improvement in trading this year but points out that first quarter sales traditionally represent less than 25 per cent of the year's total. First quarter earnings will not be reported until September.

Hunter Douglas has extensive interests in the U.S., West Germany, Belgium, Latin America, Canada and Australia, and attributes its fall in sales in part to the continuing worldwide recession. In addition, however, it notes that many of

the currencies in which it trades have fallen relative to the U.S. dollar, in which it accounts.

A statement from the company points out, in fact, that this year's first quarter results are actually better than those of last year, "reflecting the effect of the ongoing recovery programme."

Last year, Hunter Douglas engaged in a major reorganisation of its activities, closing several plants in West Germany and halting production temporarily at its casting and rolling mills in the U.S. It says now that the restructuring has greatly increased its ability to cope with recession and that it still expects an upturn in performance over 1982.

# Swiss travel agent lifts earnings and dividend

BY JOHN WICKS IN ZURICH

**REISEBUERO KUONI**, the Swiss travel agency, is to recommend an increase in its dividend from 12 to 14 per cent for 1981 after a 28 per cent rise in net profits to SwFr 3.26m (\$1.59m).

Mr Jack Bolli, the chairman, said the earnings figure was above expectations and came close to the 1979 record.

Kuoni, which has 111 branches in 17 different countries, last year showed a record turnover of SwFr 1.03bn, of which SwFr 592m originated in Switzerland.

Mr Bolli said Kuoni viewed the future optimistically but without illusions. The group, one of the world's biggest travel agencies, expects to be able to "defend its position" on the market and intends to add new

package tours in the lower price range.

Operating profits of Panalpina, forwarding agent, reached a record SwFr 352m (\$173m) last year, a 6 per cent increase. This follows a rise of 2 per cent in turnover to SwFr 2.42bn and it allows the payment of an unchanged 12 per cent dividend.

Turnover and operating profits are likely to grow at about the same rate this year as in 1981, says Herr Walter Schneider, the chairman. Panalpina has taken steps to counter what Herr Schneider calls a "top heavy" share of European business. During 1981, new offices were set up in the U.S., Canada, Argentina, Brazil, Chile and Italy.

# ACEC wipes out losses

By Our Financial Staff

**THE BELGIAN** heavy electrical equipment group, Ateliers de Construction Electrique de Charleroi, has wiped out its accumulated trading deficit through an asset revaluation.

What the company describes as "good performances" in a number of divisions led to the asset revaluation which in turn has transformed an accumulated deficit of BFr 614m into a profit of BFr 614m (\$26,450).

ACEC said the revaluation should make a dividend possible in future and permit planning for new capital. In 1981 the company returned net profits of BFr 128.4m against BFr 114.9m.

All of these Securities having been sold, this announcement appears as a matter of record only.

New Issue / May, 1982

**\$75,000,000**

**Republic New York Corporation**

**16% Sinking Fund Debentures Due 2007**

Salomon Brothers Inc

Merrill Lynch White Weld Capital Markets Group  
*Merrill Lynch, Pierce, Fenner & Smith Incorporated*

Bear, Stearns & Co.

The First Boston Corporation

Shearson/American Express Inc.

Bache Halsey Stuart Shields  
*Incorporated*

Blyth Eastman Paine Webber  
*Incorporated*

Dillon, Read & Co. Inc.

Donaldson, Lufkin & Jenrette  
*Securities Corporation*

Drexel Burnham Lambert  
*Incorporated*

E. F. Hutton & Company Inc.

Keefe, Bruyette & Woods, Inc.  
*Incorporated*

Kidder, Peabody & Co.  
*Incorporated*

Lazard Freres & Co.

L. F. Rothschild, Unterberg, Towbin

M. A. Schapiro & Co., Inc.

Smith Barney, Harris Upham & Co.  
*Incorporated*

Warburg Paribas Becker  
*A. G. Becker*

Wertheim & Co., Inc.

Dean Witter Reynolds Inc.

ABD Securities Corporation  
*Corporation*

Atlantic Capital  
*Corporation*

Basle Securities Corporation

Daiwa Securities America Inc.

EuroPartners Securities Corporation

Robert Fleming  
*Incorporated*

Kleinwort, Benson  
*Incorporated*

The Nikko Securities Co.  
*International, Inc.*

Nomura Securities International, Inc.

Yamaichi International (America), Inc.

This advertisement complies with the requirements of the Council of The Stock Exchange.

U.S. \$150,000,000

**Chemical New York N.V.**  
*(Incorporated with limited liability in the Netherlands Antilles)*

Guaranteed Floating Rate Subordinated Notes Due 1994

Guaranteed on a subordinated basis as to payment of principal and interest by

**Chemical New York Corporation**  
*(Incorporated in Delaware)*

The following have agreed to subscribe or procure subscribers for the Notes:

Credit Suisse First Boston Limited      Chemical Bank International Limited

Deutsche Bank Aktiengesellschaft      Goldman Sachs International Corp.

Kleinwort, Benson Limited      Merrill Lynch International & Co.

Morgan Stanley International      Salomon Brothers International

Swiss Bank Corporation International Limited      Union Bank of Switzerland (Securities) Limited

The issue price of the Notes is 100 per cent. The Notes have been admitted to the Official List by the Council of The Stock Exchange, subject only to the issue of the temporary global Note.

Interest is payable quarterly in arrears in March, June, September and December, the first payment being made in September 1982.

Full particulars of Chemical New York N.V., Chemical New York Corporation and the Notes are available in the Extel Statistical Service and may be obtained during usual business hours up to and including 24th June, 1982 from the brokers to the issue:

Cazenove & Co.,  
12 Tokenhouse Yard,  
London EC2R 7AN  
10th June, 1982

This announcement appears as a matter of record only.

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

**Dfls 100,000,000**

Fixed Rate Bankloan

Arranged and provided by  
**Amsterdam-Rotterdam Bank N.V.**

May 1982

Weekly net asset value

**Tokyo Pacific Holdings (Seaboard) N.V.**

on June 7th 1982, U.S.\$56.53

Listed on the Amsterdam Stock Exchange

Information: Pierson, Heldring & Pierson N.V.,  
Herengracht 214, 1016 BS Amsterdam.

YONTOBEL EUROBOND INDICES					
145.74 = 100%					
PRICE INDEX	5.52	1.52	AVERAGE YIELD	5.52	1.52
DM Bonds	95.72	96.10	DM Bonds	11.14	10.91
HFL Bonds & Notes	99.23	98.67	HFL Bonds & Notes	10.051	10.014
U.S. \$ Str. Bonds	89.88	90.84	U.S. \$ Str. Bonds	14.104	13.918
Can. Dollar Bonds	91.77	92.17	Can. Dollar Bonds	15.400	15.284

**EBCO FINANCE B.V.**  
**U.S. \$15,000,000**

Guaranteed Floating Rate Notes 1988

(Conditionally Extendable at the Noteholder's Option to 1991)

Guaranteed on a subordinated basis as to payment of principal, premium (if any) and interest by

**European Banking Company Limited**

Notice is hereby given pursuant to the Terms and Conditions of the Notes that for the six months from 10th June, 1982 to 10th December, 1982 the Notes will carry an interest rate of 15% per annum.

On 10th December, 1982 interest of U.S.\$784.74 will be due per U.S.\$10,000 note for coupon No.2.

10th June, 1982      European American Banking Corporation  
Agent Bank

Companies and Markets **INTL. COMPANIES & FINANCE**

May 26, 1982



\$366,000,000

**Alaska Housing Finance Corporation**

15 Year Loan Facility

arranged by

**Salomon Brothers Inc**

provided by

**Banque de Paris et des Pays-Bas**

**Barclays Bank Group**

**Citibank, N.A.**

**The Long-Term Credit Bank of Japan, Limited**

**Seattle-First National Bank**

agent

**Barclays Bank International Limited**

Michael Thompson-Noel explains why the launch of money market funds has proved so successful in Australia

**Investors put their trust in cash**

AUSTRALIA'S HONEYMOON with cash management trusts is still in full swing, even though interest rates have now come off the boil. Indeed, with total assets of around A\$1.25bn (U.S.\$1.32bn), the trusts—of which now number 12—are viewed as among the most successful investment vehicles introduced down under.

Earlier this year, Mr Malcolm Fraser, the Australian Prime Minister, was reported to have accused the trusts of causing a massive drain of funds from the home building industry, and was promptly rounded upon by one indignant critic for a "damnable lack of understanding" of how things work.

Since then, Mr Fraser has fallen silent and the trusts (similar to the money market funds of the U.S.) have prospered greatly, to the point where they were described this week as enshrining "the very qualities called for in the Campbell Committee report on the Australian financial system: efficiency, competitiveness, and the opening up of commercially rated opportunities to the man in the street."

The first, and still easily the biggest, of the trusts was Hill Samuel's, launched in December 1980. In its first 12 months it was thought it would attract about A\$100m. In the event, investors poured in A\$250m in

the first seven months. At last March 31 the Hill Samuel total was A\$519m. It now exceeds A\$610m, spread among more than 30,000 investors, according to Mr David Adams, general manager of the trust.

Other merchant banks managing trusts are Bank of America, International Pacific Corporation, Aic Holdings, Tricenti-

and Equitable Group Cash Management Trust, while the remaining three are run by the Australian Bank Building Society Resources (an investment company owned by Victorian building societies), and by Brick Securities.

One of Hill Samuel's fastest growing rivals is the Tricentennial Cash Management Trust, launched on March 29 this year. It notched an impressive A\$70m in deposits in its first six and a half months, and has assets now put at A\$135m.

In the marketing battle that has followed the birth of the trusts, the BA Trust had the wit (or the effrontery) to sign up former Prime Minister Sir William McMahon for an advertising campaign that helped boost investment from A\$50m on April 1 to almost A\$100m in less than a month. Assets of the BA Trust now stand at A\$112m, spread among more than 12,000 investors.

Some of the trusts invest only in government securities, such as Treasury notes and government bonds, as well as bank-backed paper, all with maturities of less than a year, or much shorter, in most cases. Others also invest in mortgage certificates and corporate paper, and one dabbles in interest rate futures. All funds in the trusts are on 24-hour call, with the minimum investor deposit ranging from A\$1,000 to A\$5,000.

An undoubted reason for the

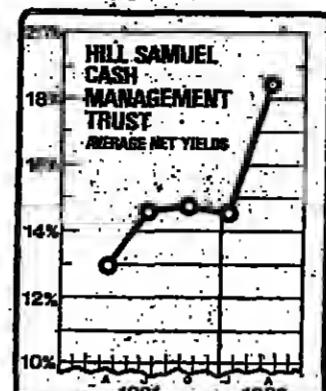
trusts' success is Australia's current high level of interest rates, though the trusts maintain that they are here to stay. At Hill Samuel, net yields have risen steadily. An investor holding units from April 1, 1981 to March 31, 1982, would have averaged 14.63 per cent a year.

Among the highest daily net yields quoted this week were Liquidity Management Services Trust, 10.24 per cent; Tricentennial Cash Management Trust, 12.79 per cent; and Australian Ready Cash Trust, 12.74 per cent.

Life in the market is tough, Mr Adams believes: the break-even point is A\$100m of assets, implying that the majority of trusts are struggling. A 33-year-old who trained as a research chemist before joining Citicorp and then Hill Samuel, Mr Adams says the trusts are successful because they're good distributors, working on a basic spread of about 1 per cent.

"Consumer awareness of high interest rates has never been higher," he says. "Today, the consumer is looking for security, liquidity, and rate. The cash trusts offer all three."

"How high will they fly? Projections derived from the experience of the U.S. money market funds have suggested that the trusts' assets could reach A\$8bn. This figure is highly unrealistic, but they have growth in the next year."



**Marginal increase for Kubota**

BY YOKO SHIBATA IN TOKYO

KUBOTA, the Japanese manufacturer of cast iron pipes, and agricultural, industrial, and housing equipment, posted a 5.3 per cent rise in unconsolidated pre-tax profits to Y27.4bn (\$111m) in the year to April 15, 1982, on turnover of Y536.23bn, up 2.8 per cent. Net profits were 5.2 per cent higher at Y15.46bn and profits per share were Y11.63 compared with Y11.10.

Sales of farm machinery, the company's main product line were affected by last year's cold summer and fell by 3 per cent to account for 38.4 per cent of the total. Sales of pipes

advanced 13.5 per cent however, to account for 32 per cent of the total, reflecting a doubling of exports. Industrial machinery sales rose by 2.8 per cent accounting for 14.4 per cent of turnover. Reflecting the sluggishness of the domestic housing construction industry, sales of housing equipment and building materials fell by 2.3 per cent to account for 7.1 per cent.

With the main impetus coming from pipes, exports jumped by 47.7 per cent to account for 20.6 per cent of total sales.

The effects of the increase to the cost of sales, put at Y10bn, on earnings, following the ex-

port expansion, was more than offset by exchange gains of Y2bn helped by the yen's depreciation against the U.S. dollar, and by the effects of rationalisation.

The company expects a continued expansion in the export of pipes in the current year. Sales of farm machinery which have been sluggish for several years, are also expected to pick up helped by replacement demand. Pre-tax profits are projected at Y30bn, up by 9.5 per cent, net profits at Y16bn, up by 3.5 per cent, and sales at Y580bn, up by 6.2 per cent.

**Grace Brothers wins fight for discount chain**

By Michael Thompson-Noel in Sydney

GRACE BROTHERS, one of Australia's leading retailers, has won the struggle for control of Norman Ross Discounts, which operates 40 stores in New South Wales and Queensland. Yesterday, Grace Brothers raised its earlier offer of A\$5 a share to A\$6.02 per share, valuing Norman Ross at a little more than A\$21m (US\$ 21.8m). The offer, proved sufficient to extend the Grace Brothers stake from virtually 20 per cent to around 55 per cent.

In a puzzling manoeuvre, Waltons Bond, the property and retailing arm of Bond Corporation, subsequently announced a counter-offer of A\$6.50 per share. But by that time, the Norman Ross founders, Mr Gerry Harvey and Mr Ian Norman, had sold their own shares to Grace Brothers.

Waltons Bond has established a 20 per cent stake in the discount chain, and stands to make a sizeable capital gain. However, rumours persist that its real target is Grace Brothers. Swan Brewery and Waltons Bond are now the main planks of Bond Corporation, the main trusted company for the interests of Mr Alan Bond, the Perth businessman which last week raised A\$188m through the sale of its interests in companies engaged in the Cooper Basin oil and gas project.

**Elbit Computers back in profit**

BY L. DANIEL IN TEL AVIV

ELBIT COMPUTERS, a subsidiary of Elroo Electronics Industries of Haifa, which is traded in the U.S. over the counter markets, reports a dramatic return to profitability in the year ended March 31, 1982, thanks partly to higher sales and partly to a sharp reduction in marketing expenses following re-organisation in this field.

Elbit, which makes a range of mini-computers for civilian and military use as well as military electronics systems, came up with a net profit of \$94,000, or 21 cents per share, as against a loss of \$3.9m in 1980-81.

Sales increased to \$72.7m from \$61.9m a year earlier and the backlog of orders, to be filled over the next two years, stood at \$120m at end-March 1982, compared with \$78m a year earlier.

The parent company, Elroo, last October increased its holding in Elbit to 68 per cent through a share swap between itself and Control Data Corporation of the U.S. in which Control Data acquired 9 per cent of the outstanding capital of Elroo. The balance of Elbit shares is held by the public and the company's employees.

The Hassneb Insurance group, which accounts for slightly over a quarter of all insurance written in Israel, reports that its profit, premium income, assets, investments and reserves all showed real growth in 1981, despite inflation of 103 per cent.

Balance-sheet total rose by 170 per cent to SH 5.2bn (U.S.\$335m, at the March 31 exchange rate). Pre-tax profit increased by 151 per cent to SH 194m and after-tax profit by 103.6 per cent to SH 116.4m.

**Puzzle over Hongkong Electric holding solved**

BY ROBERT COTTRELL IN HONG KONG

THE PUZZLING tale of just who does own a significant chunk of Hongkong Electric Holdings, one of the Colony's two electric utilities, seems to be moving towards a conclusion. The Hongkong Land Company led a market raid to acquire one-third of Electric's equity last month with an undisclosed partner somewhere in the background, confidently believed to be Carrian Investment, the fast-diversifying property group. But after Carrian's annual meeting last week, Mr John Mar-

shall, the managing director, was quoted as saying that the group owned no Electric shares.

While Mr Marshall was not available for comment yesterday, sources outside Carrian say that the group does have an agreement to buy one-third of Land's Electric holding, which was not yet exercised but is expected to be exercised soon. If correct, that would leave Land with more than 20 per cent of Electric, giving the new investment associate status.

**THE FRENCH ART OF FINE LIVING COMES TO BAGHDAD**

Now, in addition to Abu Dhabi, Cairo, Damascus, Dhahran, Jeddah, Khartoum, Kuwait, Palmyra, Latakia and Sharjah, you can find the French art of fine living in Baghdad, the city of the "Arabian Nights".

The address of this unique "savoir-vivre": Hotel Meridien, Street 47, Mahallat 102, Baghdad, Iraq.

Reservation and information: see your travel agent, your Air France ticket office or in Paris call 757.15.70, in London 493.06.09.



THE FRENCH STYLE OF FINE LIVING IN THE WORLD.

**SWIRE PACIFIC LIMITED**

CONVERSION OF PREFERENCE SHARES HELD IN SWIRE PROPERTIES LIMITED

The Directors of Swire Pacific Limited announce that the Company has today given notice to exercise its rights to convert on 30th June 1982 its holding of the whole of the 170,500,900 9 1/2% convertible cumulative redeemable preference shares 1985/87 of HK\$1.00 each in issue by Swire Properties Limited into fully paid ordinary shares of that company.

As a result of the conversion, the Company will receive, credited as fully paid, 93,000,000 ordinary shares of HK\$1.00 each in Swire Properties Limited, increasing the shareholding of the Company in Swire Properties Limited from 67.5671% to 72.4953%, of the enlarged issued ordinary share capital. Because of the conversion, no dividends on the preference shares are receivable for the financial year beginning 1st January 1982 but the new ordinary shares will participate from that date in the profits of Swire Properties Limited and, in all other respects, will rank pari passu with the existing ordinary shares of that company.

Hong Kong 9th June 1982

By order of the Board JOHN SWIRE & SONS (H.K.) LIMITED Secretaries



**SWIRE PROPERTIES LIMITED**

CONVERSION OF PREFERENCE SHARES

The Directors of Swire Properties Limited announce that Swire Pacific Limited, the holder of all the 170,500,000 9 1/2% convertible cumulative redeemable preference shares 1985/87 of HK\$1.00 each in issue, has today given notice to exercise its right to convert those preference shares on 30th June 1982 into fully paid ordinary shares.

Under this arrangement, the Company will issue 93,000,000 ordinary shares, credited as fully paid, to Swire Pacific Limited. The Company is informed that this will result in an increase in the shareholding of Swire Pacific Limited in the Company from 67.5671% to 72.4953%, of the enlarged issued ordinary share capital of HK\$612,036,542. No dividends are now payable on the preference shares in respect of 1982; however, the new ordinary shares will rank pari passu in all respects with the ordinary shares of the Company in issue at 30th June 1982 and will participate in distributions relating to the financial year beginning 1st January 1982.

Hong Kong 9th June 1982

By order of the Board JOHN SWIRE & SONS (H.K.) LIMITED Secretaries



**OTTOMAN BANK**

Notice is hereby given that a DIVIDEND at the rate of £4.00 per Share, voted at the General Meeting of Shareholders, held on 9th June 1982, will be PAYABLE on and after 18th June 1982, in London at 23 Fenchurch Street, E.C.3. The Coupon to be presented is No. 109. The holders of Founders' Shares will receive an amount of £450.10 per whole share payable on the same date and at the same place, against presentation of Coupon No. 52. Coupons must be listed on forms, which can be obtained on application, and left five clear days for examination before payment.

Listed on the Luxembourg Stock Exchange By: Bankers Trust Company, London Agent Bank

Companies and Markets INTL. COMPANIES & FINANCE

Nigeria tests its standing

NIGERIA IS set to approach the international capital market in the coming months for loans totalling some \$2bn, to finance the construction of its new standard gauge railway.

The loans, being put together in six \$300m-\$400m financial packages for the contractors which will build the different sectors of the 300-mile railway, will be a key test of Nigeria's status in the market.

They are being syndicated at a time when international bankers are expressing extreme caution about the health of the Nigerian economy, because of uncertainty over the state of the international oil market, on which the country depends for some 90 per cent of export earnings, and 80 per cent of government revenue.

However, the borrowing seems certain to enjoy top priority from the Federal Government, which has decided to push ahead with the railway project — an essential part of the development of a Nigerian steel industry, linking the Ajakuta steel plant to the coast — in spite of being forced to introduce an economic austerity programme because of the slump in oil exports.

Nigerian borrowing has been virtually at a standstill in recent months, as the Government has sought to come to terms with its strained circumstances, and stem a dramatic decline in its foreign exchange reserves. Those reserves have dropped from \$9.4bn in May 1981 to little more than \$1.4bn at the end of March this year, as a result of a trade deficit running at up to \$1bn a month.

Bankers involved in the forthcoming loans believe that the dramatic action of President Shehu Shagari, who announced sweeping import restrictions in April, and a pause in new capital projects, should help to restore confidence. The package is intended to reduce the country's soaring import bill — running at an average N1.2bn (\$1.8bn) a month for the past year — by a third.

They also point to the slow but steady recovery in Nigerian oil production to a level of 1.3m barrels a day last month, compared with a low point of less than 700,000 b/d in late March and early April. In the meantime, Nigeria's determination to maintain its Opec-fixed oil price of \$35.50 for Bonny Light crude, when comparable North Sea oil was selling for \$31, appears to have paid off with a steady increase in spot market prices.

The problem about making

any forecast of Nigeria's reception in the capital market is that the country conforms to few of the normally accepted rules of thumb for credit-rating. Its budgeting is conservative, its debt-service ratio relatively modest and its economy under-planned by the long-term certainty of oil revenues, whatever the short-term problems. Yet bankers are unanimous that Nigerian paper is difficult to market.

On the other hand it has enjoyed a consistent margin of 3 per cent over the London interbank offered rate (Libor) in the past two years, while comparable oil exporters like Mexico have faced a sharp increase in the cost of their finance. The answer to the first apparent contradiction is that it is not

incurred on top of \$5bn debt outstanding at the end of 1980. As a result of that increase, and the decline in oil export earnings, the country's debt service ratio no longer appears quite so modest, while it stood at only 0.5 per cent in 1981, oil production at a rate of 1.3m b/d would imply an increase to more than 10 per cent this year, only taking into account those debts incurred up to the end of 1980.

As for the 3 per cent margin over Libor, like so many things in Nigeria, it is not as it seems. All Nigerian borrowers also have to pay a "management fee" — also known, variously, as a contractor's fee or subvention fee — in order to obtain foreign loans. Given an adamant refusal by

In addition to President Shagari's import restrictions, Nigeria has drawn some \$740m from its holdings at the International Monetary Fund — its SDR holdings and reserve tranche, including the oil facility and supplementary financing facility. It is also reported to have agreed on a six-month interest-free loan of \$1bn from Saudi Arabia, although no official confirmation has been, or is likely to be, forthcoming.

Top Nigerian officials are determined not to approach the markets for any new jumbo loans, or direct balance of payments financing. However, their strategy of using only project finance contains a large element of hidden balance of payments finance: the railway loans, for example, will be divided into one portion backed by export credit guarantees, for the export content of the contracts, and one portion of straight Euroloans to finance the main cost, the latter being effectively balance of payments finance.

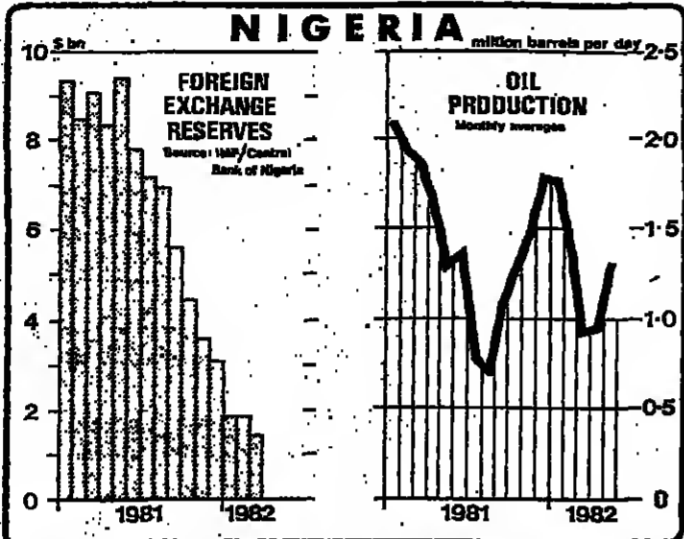
The six contracts involve six different companies or consortia, and six different lead managers: Credit Lyonnais for Dumez, and Banque Nationale de Paris for Dragages et Travaux Publics, both with French export credits; Morgan Grenfell for a Chinese-Swiss consortium with British ECOD backing; Lloyds Bank International for the Striking-Imperial consortium, with guarantees from ECOD and Italy's SACE; Lazard Brothers for Parafinowski of Yugoslavia; and Citicorp for Parapanema of Brazil.

Bankers admit that the Euro-loan portions of the railway packages will be the most difficult to place, especially as six different lead banks will be attempting to raise money for Nigeria simultaneously. One suggestion is that the six packages should in turn be coordinated by one bank, as overall lead manager.

Another possibility is that both Yugoslav and Brazilian packages will include an element of oil barter with Nigeria, thereby reducing the overall financing requirement.

Some co-ordination is clearly needed, as well as confirmation of the top priority the railway enjoys, for the banks know there is little point in completing five of the six financing packages, and leaving one sector of the railway out in the cold.

Quentin Peel



any fundamental economic weakness which worries the banking community, but rather the administrative chaos which plagues government in Nigeria. Late payments have been more the norm than the exception in the past six months," according to one U.S. banker. "But the problem is bureaucracy and administrative brawls, rather than actual cash shortage."

Nigeria is unique in consistently missing interest payments, but always paying in the end, including all the penalty interest. Bankers are also worried by the plethora of Nigerian public borrowers in the market, most of them the 19 state governments, whose administration and budgeting is notably worse than that of the Federal Government. Total Nigerian debt increased sharply last year, with syndicated loans totalling some \$3bn

the Nigerian Government to pay a higher margin over Libor, banks have simply increased that management fee, payable by the borrowing contractor, as the assessed risk has increased. Two years ago, the standard management fee stood at 2 per cent, and today, the minimum is put at 3½ per cent, substantially increasing the effective cost of finance.

It would be much cheaper for all concerned for Nigeria to pay 1½ or 2½ per cent over Libor, but the management fee is now very much part and parcel of doing business in Nigeria," says one London banker.

Such considerations apart, Nigeria still has to persuade potential lenders that it has a coherent strategy both in tackling its balance of payments problem and in its longer-term development plan, of which the standard gauge railway is one important part.

All these securities having been sold, this announcement appears as a matter of record only.

GMAC Overseas Finance Corporation N.V. U.S. \$125,000,000 15% Notes due May 17, 1989

Guaranteed by General Motors Acceptance Corporation

Chemical Bank International Group

- Algemene Bank Nederland N.V.
Banca del Gottardo
Bank Brussel Lambert N.V.
Banque Générale du Luxembourg S.A.
Crédit Lyonnais
Kleinwort, Benson Limited
Kredietbank International Group
Société Générale
Union Bank of Switzerland (Securities) Limited
Westdeutsche Landesbank Girozentrale
Wood Gundy Limited
Yamaichi International (Europe) Limited

- American Express Bank International Group
Arnhold and S. Bleichroeder, Inc.
Bachs Halsey Stuart Shields Incorporated
Julius Baer International Limited
Banca Commerciale Italiana
Banca di Santo Spirito (Luxembourg)
Bank of America International Limited
Bank für Gemeinwirtschaft Aktiengesellschaft
Bank Gutzwiller, Kurz, Bungerefer (Overseas) Limited
Bank Hauser & Cie AG
Bank Leu International Ltd.
Bank Mees & Hops NV
Bank of Tokyo International Limited
Bankhaus Gebrüder Bethman
Banque Louis-Dreyfus
Banque Nationale de Paris
Banque NMB-Interunion
Banque Populaire Suisse S.A., Luxembourg
Banque Privée de Gestion Financière - BPGF
Banque de l'Union Européenne
Banque Worms
Barig Brothers & Co., Limited
Bayerische Hypotheken- und Wechsel-Bank Aktiengesellschaft
Bayerische Vereinsbank
Aktiengesellschaft
Bear, Stearns & Co.
Bergson Bank A/S
Berliner Bank Aktiengesellschaft
Berliner Handels- und Frankfurter Bank
Blyth Eastman Paine Webber International Limited
Breitbach Pinschof Schoeller Bankkommanditgesellschaft
B.S.I. Underwriters Limited
Cazenove & Co.
Chese Manhattan Limited
Christiana Bank and Kreditkassa
CIBC Limited
Compagnie de Banque et d'Investissements, C.B.I.
County Bank Limited
Crédit Chimique
Crédit Commercial de France
Crédit Industriel d'Alsace et de Lorraine
Crédit Industriel et Commercial
Créditanstalt-Bankverein
Credito Italiano
Dai-ichi Kangyo International Limited
Daiva Bank (Capital Management) Ltd.
Daiva Europe Limited
Richard Daus & Co. Bankiers vormals Hans W Peterson
Den norske Creditbank
Deutsche Girozentrale - Deutsche Kommunalbank - Girozentrale
DG Bank
Deutsche Genossenschaftsbank
Dominion Securities Ames Limited
Dresdner Bank Aktiengesellschaft
Drexel Burnham Lambert Incorporated
Euromobiliare
European Banking Company Limited
First Chicago Limited
Fuji International Finance Limited
Gefina International Ltd.
Genossenschaftliche Zentralbank AG Vienna
Girozentrale und Bank der Österreichischen Sparkassen Aktiengesellschaft
Goldman Sachs International Corp.
Göteborgen
Groupeement Privé Genevois S.A.
Hambros Bank Limited
Handelsbank N.V. (Overseas) Limited
Hessische Landesbank - Girozentrale -
Hill Samuel & Co. Limited
IBJ International Limited
Kansallis-Osake-Pankki
Klöder, Peabody International Limited
Landesbank Rheinland-Pfalz - Girozentrale -
Lazard Brothers & Co., Ltd.
Lehman Brothers Kuhn Loeb International, Inc.
Lloyds Bank International Limited
LTCB International Limited
McLeod Young Weir International Limited
Manufacturers Hanover Limited
B. Metzler seel. Sohn & Co.
Mitsubishi International Finance Limited
Samuel Montagu & Co. Limited
Nestlé, Thomson Limited
The Nikko Securities Co., (Europe) Ltd.
Nippon Credit International (HK) Ltd.
Nomura International Limited
Norddeutsche Landesbank Girozentrale
Nordic Bank PLC
Orion Royal Bank Limited
Rabobank Nederland
L.F. Rothschild, Unterberg, Towbin
Salomon Brothers International
Sanwa Bank (Underwriters) Limited
Scandinavian Bank Limited
J. Henry Schroder Wagg & Co. Limited
Singapore Nomura Merchant Banking Limited
Skandinaviska Enskilda Banken
Smith Barney, Harris Upham & Co. Incorporated
Société Générale de Banque S.A.
Spaarbanksbank
Sparkassen SDS
Standard Chartered Merchant Bank Limited
Sumitomo Finance International
Takugin International (Asia) Limited
Verband Schweizerischer Kantonalbanken
Vereins- und Westbank Aktiengesellschaft
J. Vontobel & Co.
M.M. Warburg - Brinckmann, Wirtz & Co.
S.G. Warburg & Co. Ltd.
Williams & Glyn's Bank plc

May, 1982

This Advertisement appears as a matter of record only. These Debentures have been sold outside Canada and the United States of America.

New Issue 9th June, 1982 Can. \$100,000,000 Bell Canada 16% Debentures, Series DL, Due 1989 Issue Price 99 3/4%

Union Bank of Switzerland (Securities) Limited

- Algemene Bank Nederland N.V.
Crédit Lyonnais
Dominion Securities Ames Limited
Dresdner Bank Aktiengesellschaft
Hambros Bank Limited
Solomon Brothers International
Société Générale de Banque S.A.
Wood Gundy Limited

- Julius Baer International Limited
Bank of America International Limited
Bank Centrale Switzerland (C.I.) Limited
Bank Leu International Ltd.
Banque Bruxelles Lambert S.A.
Banque Populaire Suisse S.A. Luxembourg
Barig Brothers & Co., Limited
Bayerische Landesbank Girozentrale
Bayerische Vereinsbank Aktiengesellschaft
Baus & Wirtz Limited
CIBC Limited
Blyth Eastman Paine Webber International Limited
Commerzbank Aktiengesellschaft
Chese Manhattan Limited
Compagnie de Banque et d'Investissements, C.B.I.
Confédérale Illinois Limited
County Bank Limited
Crédit Industriel et Commercial
Daiva Europe Limited
Deutsche Bank Aktiengesellschaft
Dresdner Bankhaus Lambert Incorporated
Euromobiliare
Gefina International Limited
Genossenschaftliche Zentralbank AG - Vienna
Girozentrale und Bank der Österreichischen Sparkassen Aktiengesellschaft
Goldman Sachs International Corp.
Groenstaats Incorporated
Groupeement des Banquiers Privés Genevois
Handelsbank N.V. (Overseas) Limited
Kansallis-Osake-Pankki
Klöder, Peabody International Limited
Kleinwort, Benson Limited
Lehman Brothers Kuhn Loeb International, Inc.
Lazard Brothers Incorporated
LTCB International Limited
McLeod Young Weir International Limited
Merrill Lynch International & Co.
B. Metzler seel. Sohn & Co.
Mifflin Doherty Limited
Mitsubishi Bank (Europe) S.A.
Samuel Montagu & Co. Limited
Nestlé, Thomson Limited
Nomura International Limited
Norddeutsche Landesbank Girozentrale
Pierce, Fenner & Smisson N.V.
Pittfield Mackay Ross Limited
Rabobank Nederland
Richardson Securities of Canada (U.K.) Limited
Skandinaviska Enskilda Banken
Smith Barney, Harris Upham & Co. Incorporated
Swiss Bank Corporation International Limited
Vereins- und Westbank Aktiengesellschaft
J. Vontobel & Co.

This advertisement complies with the requirements of the Council of the Stock Exchange. It does not constitute an invitation to subscribe for or purchase any securities.

U.S. \$40,000,000

Banca Serfin, S.A.

(A private banking institution incorporated with limited liability in the United Mexican States) Subordinated Floating Rate Serial Notes Due 1985-1989

The following have agreed to subscribe for the Notes:

- MORGAN GUARANTY LTD
BANCO DE BILBAO S.A.
BANCO DE BOGOTA, S.A. PANAMA
BANK OF AMERICA INTERNATIONAL LIMITED
BANKERS TRUST INTERNATIONAL LIMITED
BANQUE NATIONALE DE PARIS
BARCLAYS BANK GROUP
CHEMICAL BANK INTERNATIONAL GROUP
CONTINENTAL ILLINOIS LIMITED
CREDIT LYONNAIS
MANUFACTURERS HANOVER LIMITED
SAMUEL MONTAGU & CO. LIMITED

The Notes, issued at 98 per cent in denominations of US\$100,000, have been admitted to the Official List by the Council of the Stock Exchange subject only to the issue of the temporary Global Note.

Interest is payable semi-annually in arrears in December and June, the first payment to be made in December 1982.

Full particulars of the Notes are available in the Extel Statistical Service and may be obtained during usual business hours up to and including June 23, 1982 from:

- Cazenove & Co.
12 Tolsen House Yard
London EC8R 7AN
Morgan Guaranty Ltd
30 Throgmorton Street
London EC2N 2NT

June 10, 1982

Bank of Tokyo (Curaçao) Holding N.V. US \$100,000,000 Guaranteed Floating Rate Notes due 1991



Payment of the principal of, and interest on, the Notes is unconditionally and irrevocably guaranteed by

The Bank of Tokyo, Ltd.

(Incorporated in Japan) In accordance with the provisions of the Agency Agreement between Bank of Tokyo (Curaçao) Holding N.V., The Bank of Tokyo, Ltd., and Citibank, N.A., dated December 8, 1981, notice is hereby given that the Rate of Interest has been fixed at 15 3/4% per annum and that the interest payable on the relevant Interest Payment Date, September 10, 1982 against Coupon No. 10, 1982, against Coupon No. 2 will be US\$387.60.

June 10, 1982

By: Citibank, N.A., London, Agent Bank



U.S. \$100,000,000 Guaranteed Floating Rate Notes due 1994 Citicorp Overseas Finance Corporation N.V. (Incorporated with limited liability in the Netherlands Antilles)

Unconditionally guaranteed by



In accordance with the terms and conditions of the above-mentioned Notes and Agency Agreement dated as of March 5, 1979, between Citicorp Overseas Finance Corporation N.V. and Citibank, N.A., notice is hereby given that the Rate of Interest has been fixed at 15 3/4% per annum and that the interest payable on the relevant Interest Payment Date, September 10, 1982 against Coupon No. 14 in respect of U.S.\$1,000 nominal of the Notes will be U.S.\$39.13.

June 10, 1982

By: Citibank, N.A., London, Agent Bank



TECHNOLOGY

EDITED BY ALAN CANE

Italy could go private with illegal data networks

BY JAMES BUXTON, IN ROME

COULD ITALY soon have illegal private telecommunications networks, providing the most advanced data transmission services in defiance of a state monopoly?

Some experts believe, with a mixture of alarm and excitement, that it could, if the government doesn't soon work out a more rational structure for Italy's telecommunications set-up.

The SIP is now recovering fast after a long period of decline, caused mainly by the Government's refusal to allow it realistic tariff increases after the 1974 oil crisis. It lost about L1,000bn over the 1979-80 period, but last year made respectable profits of L255bn, thanks to more realistic tariffs, recapitalisation and a big cut in the rent it must pay for trunk calls handled by ASST.

ASST's efficiency in providing services can partly be judged by the fact that it can take three to four years to obtain a telex connection in Italy. Being part of a Ministry it is tied to Government wage scales: an engineer with ASST may get half what he would be paid by SIP. According to one observer: "You simply can't run a 20th century telecommunications system with a bureaucracy dating back to the 18th century."

relationship between ASST and SIP be revised and that the way be cleared to the installation of "data networks" and new telematic services, to be entrusted to SIP.

transmission network, and hold up new services. SIP will go ahead installing data transmission networks for 350 major users—already provides less subscribers—but this is not the same as a national network to which anyone can have access: existing private system subscribers can only communicate with each other by means of tapes and discs.

in government, generally, it would be an inefficient and wasteful way of attaining the national network which SIP would be well placed to supply, if it only had the chance.



Filter noise reduction

A COMBINED filter and silencer for air compressors that significantly reduces noise emission is available from Balston, Monks Lane, Maidstone, ME14 2QB.

Capacity of a single Balston filter/silencer in terms of air flow rates ranges up to 10,700Nm<sup>3</sup> at seven bar line pressure. They are made of borosilicate glass microfibres with a fluorocarbon resin binder and remove all visible oil mist.

Seminar

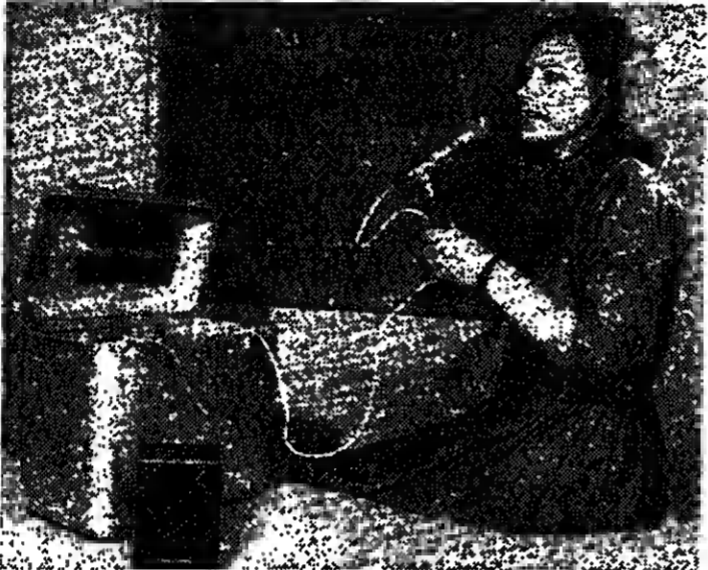
TECHNIQUES for Unmanned Machining is the title of a one day seminar organised by the Machine Tool Industry Research Association to be held at the Association's headquarters in Macclesfield, next Thursday (June 17). Papers will be presented by MTIRA speakers and others from TI Churchill, UMIST, Kongsberg, Remshaw and KTM Branda Bosman at MTIRA (9625 25241) will be pleased to hear from you.

Texas suitcase for voice synthesisers

BY GEOFFREY CHARLISH

TEXAS INSTRUMENTS, which has been playing a leading part in bringing electronic voice synthesis to the market, has developed a portable suitcase-sized device which can take about 400 words of speech, digitise them and load them into memory chips for use in commercial and industrial OEM products.

lating the rising and falling tones of human speech into digital codes, LPC encodes only the essential energy and pitch information and then is able to "predict" how the entire word or phrase should be spoken. One outcome is a lower data rate requirement, so that only about 1 per cent of the memory space is needed compared with direct encoding and, claims Texas, 40 per cent less than any comparable encoding technique. Fewer components are called for, resulting in lower cost and less bulk.



Speech put into the Texas analysis system can be processed, digitised and re-synthesised from the loudspeaker in less than three seconds

is natural sounding synthetic speech. The synthesis processor (VSP) can itself be interfaced with four, eight or 16 bit microprocessors which, together with the memory chip and loudspeaker will form a complete system for controlling the kind that will soon be appearing in appliances, office equipment, learning aids and security systems.

Improved technique for residual catalyst HDPE measurement

SCIENTISTS at Phillips Petroleum Chemicals in Belgium have improved the technique for measuring by infra-red spectrometry the residual catalyst in commercial high-density polyethylene (HDPE).

Standard analytical procedure requires more than two hours to burn a 100-gram sample of polymer to a measurable quantity of ash. Phillips claims that its infra-red method is faster and more accurate in serving as a guide for controlling the particle form polymerisation process in a commercial reactor.

gram of the sample between aluminium foil discs on a 1 mm spacer and heating to 180 deg C. After pressing, at 415 bars and cooling to room temperature, the sample thickness is measured to the nearest 0.01 mm and absorption spectra of the polyethylene films containing silica catalyst support taken by an ordinary commercial spectrometer.

UK ECONOMIC INDICATORS

Table with columns for Ind. prod., Mig. output, Eng. order, Retail value, Unemployed, etc. for various months from 1981 to 1982.

EXTERNAL TRADE—Indices of export and import volumes (1975=100): visible balance; current balance (€m); all balance (€m); terms of trade (1975=100); exchange reserves.

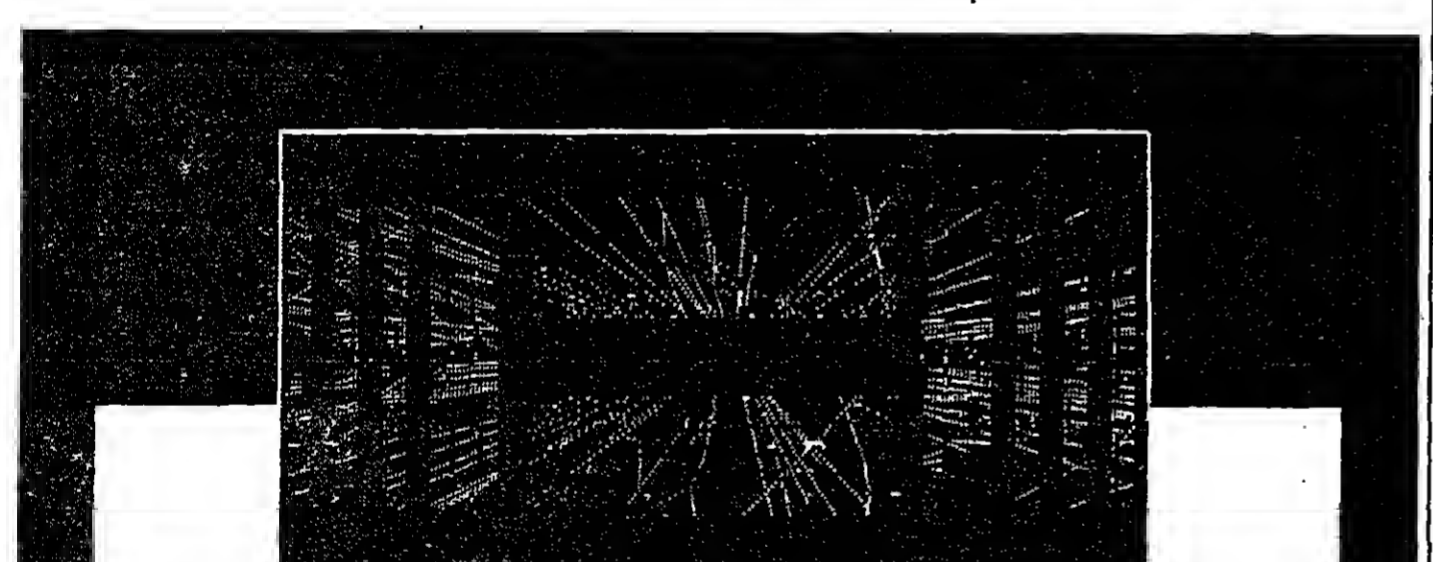
Table showing trade figures for March-August 1981 not available because of Civil Service dispute.

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months growth at annual rate); domestic credit expansion (€m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

Table with columns for M1, M3, Bank advances, DCE, BS, HP, M3B, etc. for various months from 1981 to 1982.

INFLATION—Indices of earnings (Jan 1978=100); basic materials and fuels, wholesale prices of manufacturing products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1982=100); trade weighted value of sterling (1975=100)

Table with columns for Earnings, Basic materials, Wholesale, RPT, Foods, commodity, Strg, etc. for various months from 1981 to 1982.



WITH 2.5 MILLION PARTICLES TO MONITOR EVERY SECOND, A SCIENTIFIC TEAM SELECTED MOTOROLA.

MOTOROLA MPU 68000 16/32 BIT MORE THAN A MICROPROCESSOR. ALMOST A COMPUTER IN ITSELF.

Just outside Geneva, a team of scientists from CERN (European Organization for Nuclear Research) is studying the forces present in nature, with a view to identifying their origins. This study stems from the proposal that there might be a common origin between electro-magnetic and weak forces (Glashow, Weinberg, Salam, 1979 Nobel Prize for Physics). This requires identifying a new very heavy particle. To make this research possible, they have built a storage ring for high energy protons and antiprotons which collide 50,000 times a second. Each collision generates some fifty particles. Which means, the scientists needed a microprocessor capable of selecting out of at least 2,500,000 particles every second, the right ones for further analysis (the above photo shows an

offices and distributors that can guarantee local assistance anywhere in Europe. And they found their answer. A microprocessor from the 68000 16/32 bit MPU Family, many times faster than a conventional 8-bit microprocessor, simple in concept, reliable, but enormously powerful. And in Spring 1982, they were happily conducting their first experiments. Just one example to show how Motorola Semiconductors stands ready and equipped to be a knowledgeable electronic partner to scientific research. And, of course, to industry at large. MOTOROLA SEMICONDUCTORS. YOUR PARTNER IN ELECTRONICS.

Motorola Ltd, York House, Empire Way, Wembley, Middlesex HA9 0FR.

LESS COMPLICATION LESS FRUSTRATION LESSER DESIGN & BUILD. Design & Build gives you a total service from one company with high quality and reliable completion dates—and a co-operative bunch of people to work with. Contact John Baxter for more information. Phone 01-977 8755

Attention All BBC Microcomputer and Acom Atom Users. ACORN USER. The official monthly magazine of Acom Computers Ltd, manufacturers of the BBC microcomputer, the Acom Atom, and the Econet system. For your free copy of the first issue, coming July 1st, write or phone now to: 'Acorn User' Addison-Wesley Publishers Ltd, 63 Bedford Square London WC1B 3DZ. Tel: 01-631-1635



# FINANCIAL TIMES SURVEY

Thursday, June 10th, 1982

# BEATRICE OIL FIELD

Today's inauguration by Princess Alexandra of the Beatrice inshore field in the North Sea marks a number of significant developments, both for some of the companies involved and the UK offshore industry in general

## Rewriting the text books

BY RAY DAFTER, ENERGY EDITOR

BEATRICE, which started producing oil last September, is one of the new generation of medium-sized fields to be exploited on the UK Continental Shelf. Estimated recoverable reserves are put at 117m barrels, a seventeenth of the size of British Petroleum's early Forties discovery. Its development cost, at around £60m, is also a fraction of the billions invested in some of the biggest North Sea projects.

But Beatrice is the first of its type. Its unusual properties — unique in the North Sea — have presented special challenges for the operator, British National Oil Corporation, and the other four members in the field consortium: BP Petroleum Development, Deminex UK Oil and Gas, Hunt Overseas Oil, and Kerr McGee Oil (UK).

It was announced a few days ago that BP is selling its 15 per cent stake in the field to London and Scottish Marine Oil for £75m.

This group of international companies (British, American and German) was faced with the environmental challenge of developing a field in fishing grounds, only 12 miles from the Scottish mainland in the Moray Firth, an area of outstanding natural beauty.

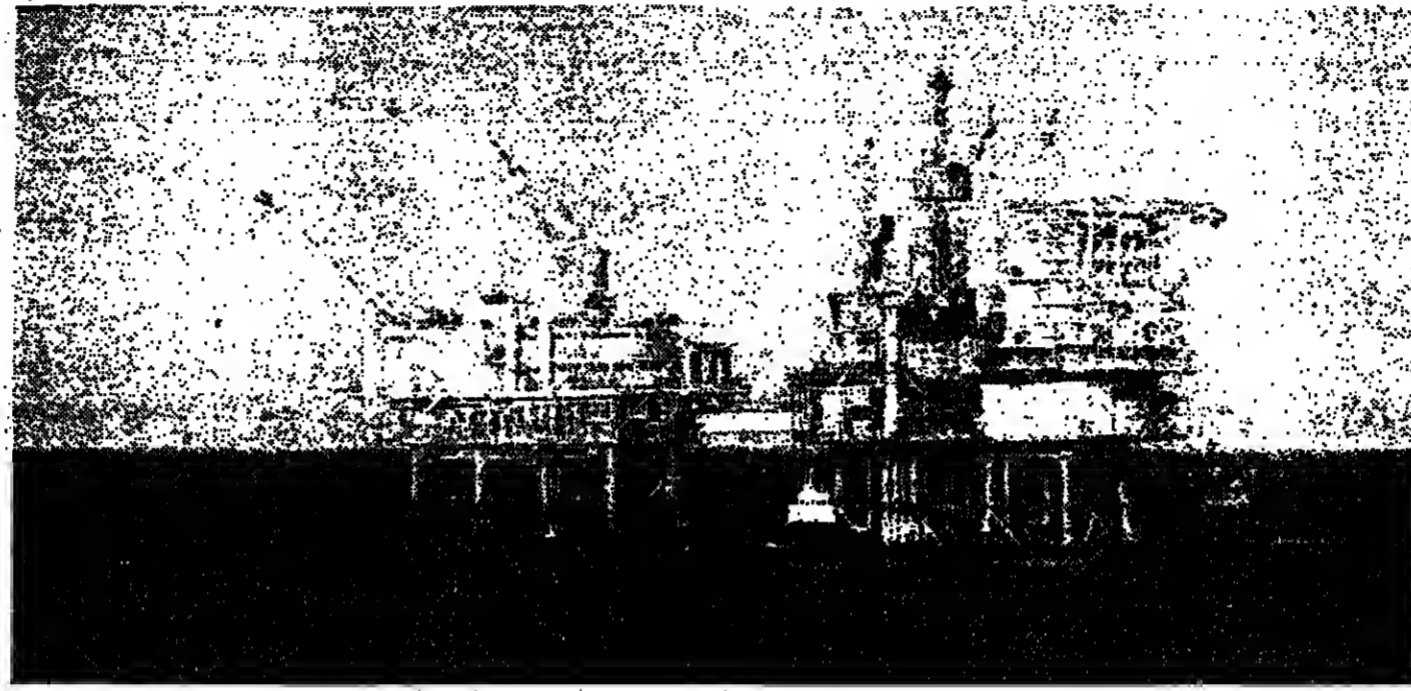
To make matters worse, the

poor-quality reservoir rocks in Beatrice have been reticent to release trapped oil. And the oil that is exploited is of an unusual waxy quality, resembling brown shoe polish at normal winter temperatures in the North Sea.

As a result of all this BNOG has had to instal water injection equipment and small oil-lifting pumps to help the recovery operations. The oil is being treated and treated with a tailor-made chemical (a pour point depressant) to make sure it does not solidify during the 49-mile pipeline journey to a shore terminal at Nigg Bay in Cromarty Firth.

And rigorous environmental protection systems have had to be adopted. For instance, the Beatrice Oil Pollution Control Plan, designed to deal with any oil spillages, has been drawn up following consultation with the local community, the Energy Department, the Department of Trade, the Highland and Grampian regional councils, Cromarty Firth Port Authority, the Nature Conservancy bodies, and the river purification boards.

"We have written the first book for the industry on how to develop oil fields close to shore," said Mr Malcolm Ford, formerly with Shell and now a BNOG Board member and



The Beatrice platforms are only 12 miles from the Scottish mainland in the Moray Firth. The challenges met here are expected to influence future inshore projects

director in charge of the corporation's exploration and production activities. "What we have done at Beatrice will have an influence on future inshore projects, such as in the English Channel."

Mr Ford is also aware that Beatrice has helped BNOG, only six and a half years ago. "We are writing our track record on Beatrice," he said. Mr Ford pointed out that Beatrice was much more a BNOG project than the Thistle Field development which the Corporation took over in a fairly advanced state of preparation from the previous

operator, Burmah Oil.

But BNOG cannot claim even Beatrice as its own. The field was discovered in September 1976 by the previous operator of licensed block 1/30 — Mesa Petroleum, an American independent oil corporation.

Mesa was applauded for finding the field in an area previously looked at — and generally discarded — by others in the oil industry. By the following year, 1977, Mesa declared its discovery as a commercial prospect in the belief that it could recover some 160m barrels of the 480m barrels trapped in the reservoir.

Early in 1977 Mesa awarded the main management development contract to Brown and Root — Wimpey Highlands Fabricators. But the Energy Department took a dim view of Mesa's development proposals, originally based on a concept of offshore storage and tanker loading. The Department rejected the plans on environmental grounds.

A revised application, based on the installation of a pipeline and a shore terminal, was approved in August of 1978. In anticipation of approval Mesa had already gone ahead and ordered two shallow-water pro-

duction platforms — one for drilling and the other for processing — from the Madrid yard of Dragados y Construcciones of Spain. The Spanish company had submitted the most competitive tender but the UK offshore supplies industry was far from happy.

In 1979 Mesa bowed out of the Beatrice project, announcing that it wanted to consolidate its activities. (In conjunction with Tenneco, Mesa had just bought U.S. oil and gas properties from Ashland Oil at a total cost of \$340m.) In a deal, reported to be worth about \$57m, BNOG acquired

Mesa's 25 per cent stake in Beatrice.

At the same time there were a number of other licence changes — including Deminex's acquisition of Crestline, Chelsea. And the unusual claims have not stopped; hence BP's proposed exit from Beatrice as part of its rationalisation plans. BP is not keen to hold a minority, non-operating stake in a relatively small oil field. But the company's decision to sell its Beatrice interest is still significant in that it is a sign of the oil industry's much more relaxed attitude to future supplies of crude oil.

It will be the first time that a major North Sea company has sold oil producing interests.

BNOG was regarded as a contender for the BP stake, given its commitment to the Beatrice project and its interest in developing its equity oil portfolio.

Significantly, BNOG points out that since it took over operation of the project 89 per cent of the value of orders placed for offshore and terminal equipment have gone to UK companies. This is well above the average for the UK content of total orders placed — 87 per cent last year, and 71 per cent in 1980.

It must be likely that later this year (probably in September) BNOG will place the contract for a planned third Beatrice platform with a UK construction yard given the depressed state of the fabrication industry and the Corporation's "buy British" policy.

Like other operators in the North Sea, BNOG knows full well that its attitude towards helping UK industry weighs heavily in the minds of the Department of Energy when it is making discretionary awards

of licences. BNOG will almost certainly be among companies bidding for new offshore exploration licences later this year.

Under Government proposals the general public will soon be able to invest in BNOG's exploration and production interests, including its stakes in Beatrice and other North Sea fields such as Thistle, Clyde, Duntin, Ninian, Murchison, Viking, Statford, Hutton and Brae. As a result of legislation, now going through Parliament, the exploration and production interests are to be hived off into a new company called Britoil with the public being invited to buy 51 per cent of the shares. BNOG's trading arm — the operation which has so much influence over North Sea pricing policies — is to remain in state hands.

The Beatrice Field provides a number of object lessons for would-be investors, possibly new to the North Sea. The field has shown that exploration is an uncertain science; its discovery surprised the industry. Development, too, can be a risky business. At one time those connected with the Beatrice project were hoping that the field would yield up to 100,000 barrels a day. At present it is producing oil at the rate of just 33,000 b/d and the peak — likely to be achieved for a short period in 1984 — is not expected now to rise much above 50,000 b/d.

On the other hand, Beatrice demonstrates the industry's ingenuity to extract oil in commercial quantities from relatively small, troublesome reservoirs in environmentally-sensitive areas. Many more of these fields will have to be exploited if the UK is to remain self-sufficient in oil beyond the mid-1990s.

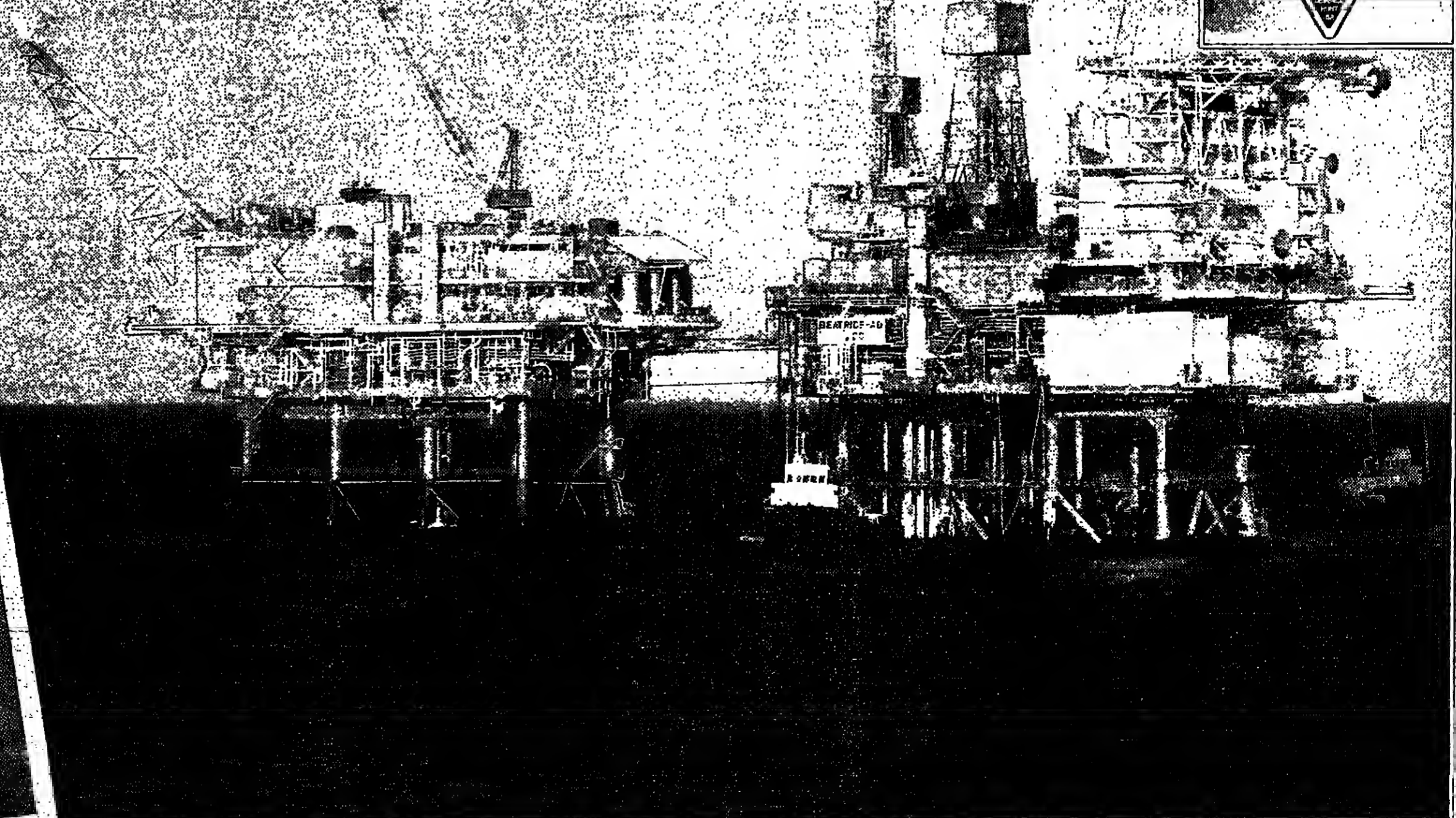
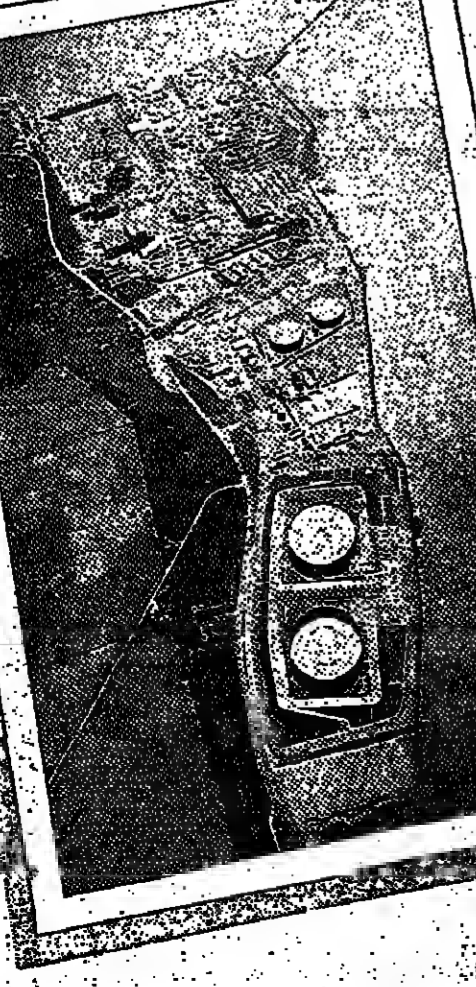
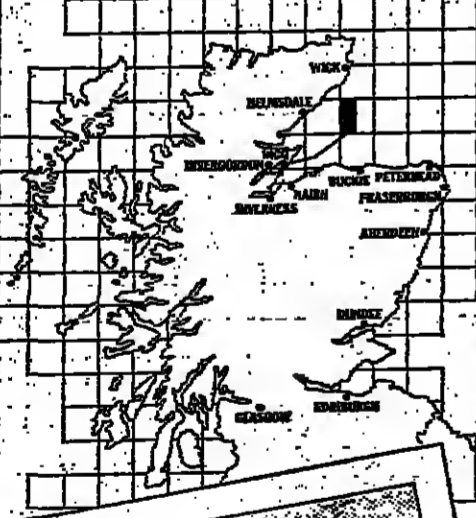
# The Beatrice Field. On stream, on time, an international achievement.

The official commissioning of the Beatrice Field, 12 miles off the Scottish coast, follows a sophisticated construction programme carried out by a British/German/American consortium comprising the British National Oil Corporation (BNOG), BP Petroleum Development Ltd, Deminex

UK Oil and Gas Ltd, Hunt Overseas Oil Inc and Kerr McGee Oil (UK) Ltd. The complex was brought on stream in less than three and a half years from the date of Government permission to develop. The field, which is operated by BNOG, was discovered in 1976 and became

operational in 1981. It is the only UK field whose installations are visible from land, and its proximity to the Scottish coastline has led to extensive environmental protection studies and measures. The consortium take pride in the

high standards of discipline and technology that have enabled their staff to make the Beatrice Field such a successful operation to date.



# BEATRICE OIL FIELD II

## Extensive care to protect environment

PLANS TO instal an oil platform a few miles off some of Britain's most spectacular and unspoilt coastline were greeted with uproar.

Further proposals to bring the oil ashore by pipeline to a mainland terminal used by 30,000 tanker oil tankers increased the apprehensions of naturalists and a conservation-minded public.

Beatrice is within sight of cliffs which are the nesting grounds for an estimated 400,000 sea birds and the terminal is near sandbanks which are frequently black with thousands of oystercatchers.

The huge variety of birdlife - gull, kittiwake, long-tailed duck, widgeon - as well as the flora and fauna of the coast and fishing grounds offshore make it the site of a potential ecological disaster.

The response of the British National Oil Corporation as operator in the Beatrice project has been to set up an extensive programme of pollution control and environmental monitoring to accompany the field's development.

This work, which has cost BNOC an estimated £2m, covers the academic and consultants' fees in establishing a programme, to watch the local coastline and the extensive anti-pollution equipment ready for use in case of a spill.

The specialist advice to prepare and carry out the monitoring involves Aberdeen University's Department of Zoology and its offshore marine studies unit; the Field Studies Council's oil pollution research unit; consultants Masspect Analytical; the Nature Conservancy Council; the Royal Society for the Protection of Birds; and Sphere Environmental Consultants.

One of the problems in setting up an environmental study was that because no other offshore platforms were so close to shore it was difficult to establish any norms.

Environmental groups most concerned and alarmed at the prospect of oil exploitation in the Moray Firth feel that the oil company's approach has been a responsible one. But there are reservations.

To BNOC it was a question of both taking and being seen to take effective measures to prevent and contain pollution. Any further oil exploration in the area would depend on the pollution difficulties of the Beatrice Field.

Oil spilt at the platform itself could be blown ashore within 20 hours. And because the oil, once in the water, tends to form heavy blobs rather than the more familiar oil slick on the surface, normal chemical dispersants are ineffective. Spills must be dealt with using skimming nets or inflatable booms which surround the oil.

As one of the North Sea's most modern developments, the platform's operations are extensively monitored by a computer which can quickly spot any leaks or potential leaks. The entire complex can be shut down in 30 seconds.

Oil dripping from machinery is collected in drip trays to be treated; pipes and pipelines are pressure tested. The 49-mile pipeline to the mainland terminal has been buried one metre below the sea bed to make it secure from possible damage by fishing boats' gear.

Emergency shutdown procedures are also in force ashore at Nigg terminal. The two vast storage tanks are designed to prevent overflowing and are housed in concrete shells to contain any rupture of the tank.

At the jetty head a permanent boom has been installed to enclose a ship and the jetty to contain an oil slick. Heavy fines face the operators of a ship polluting the harbour, the company brought in its own resident ecologist to study the coastline. Thirty sites along the north and south coasts of the firth were monitored to identify changes and outline specific protection or clean-up measures which might be required.

The elaborate environmental monitoring programme has collected a great deal of scientific data and established monitoring systems in several areas.

A study to set up methods of recording changes in the shoreline conditions. The condition of rocky shores and mudflats were noted along with forms of animal life, to form a biological portrait of the shoreline. Particular quadrants were set out which could be compared and repeatedly studied to note any change.

An ornithological study monitored seabird breeding population, the little known activity of seabirds at sea and studied seabird and shore birds. Here, however, there has been criticism that the studies are not sufficiently thorough.

A subtidal study surveyed the seabed sediments in the Moray and Cromarty firths and an environmental quality study looked at coastal water samples, shellfish contamination and air and noise problems which might be created by onshore operations.

In each case the studies were contracted by BNOC to outside specialist bodies. In many cases these were the organisations which had the gravest doubts about the Beatrice development in the first place: bodies such as the Nature Conservancy Council and the Royal Society for the Protection of Birds. These bodies are still concerned about the environmental issues.

The studies, although provided for BNOC, may be made accessible to the public, to overcome possible accusations that unfavourable details would not be made known.



The gull is one of the seabirds whose habitat will be protected by special pollution control measures

## Novel technology watched by offshore consortia

THE GENERAL development concept for the Beatrice Field differs very little from any of the other commercial oil projects in the North Sea: production and accommodation platforms linked to a carefully landscaped terminal by submerged pipelines.

But there are a number of unusual features about Beatrice which have given rise to novel technology in the context of the UK Continental Shelf. In a sense Beatrice is a test bed, being watched closely by many offshore consortia which could face similar challenges to those presented to the BNOC group.

The development of a field close to shore clearly presented its own environmental challenges. But it is the nature of the oil and its surrounding reservoir rock that has posed the greatest technological problems.

Although Beatrice oil is light with a similar specific gravity to other North Sea crudes - 38 degrees under the American Petroleum Institute system of measurement - it is unusually waxy. The wax content represents about 17 per cent of the total weight of the oil. This makes the oil extremely difficult to handle.

At the winter temperatures of the North Sea (about 5 deg C) the oil resembles brown boot polish. It has become part of the offshore industry's folklore that without special treatment

### BEATRICE FIELD INFORMATION

Block 11/30a  
Oil reserves: about 400m barrels  
Recoverable reserves: estimated 117m barrels  
Peak oil production: just over 50,000 barrels a day (1984)  
Reservoir area: 4,300  
Reservoir depth: 6,700 feet (between Upper and Lower Jurassic)  
Type of oil: 33 degrees API, low sulphur content; 17 per cent wax  
Water injection rate: 96,000 barrels a day

of this mooring problem, and the potential consequences should the mooring fail, are probably without precedent.

In another report, also commissioned by the Government, consultants Williams-Merr concluded that a pipeline method of oil transport would be feasible and would involve no new technology nor any significant advances from current practice.

Consequently, the Energy Department took an unusual step and on November 25 1977 rejected the field development plan based on offshore loading. The pipeline method was adopted.

But BNOC and its partners have had another major problem to contend with. The field, lying at a depth of 6700 ft, below 150 ft of water, has the most challenging reservoir characteristics. The porosity and permeability of the reservoir rocks are poor which means that the oil cannot flow freely. To make matters much worse, the reservoir rocks are thin and broken up with very little natural pressure and insufficient gas.

All this has necessitated the installation of a water injection system (to boost the reservoir pressure) and down-hole submersible pumps to assist the oil to the surface.

It is possible that before too many years have passed, British Petroleum and others will be using down-hole pumps to exploit some of the vast reserves of difficult-to-produce oil which lie to the west of the Shetland Islands. If this proves to be the case, Beatrice will have provided the industry with valuable operating experience.

Mesa Petroleum, the discoverers and original operator of Beatrice, viewed pipeline transport of such a waxy crude with some misgivings and put forward a plan to the Government for an offshore floating storage and loading terminal. Consultants Halcrow, Ewbank and Associates warned the Government at the time: "The mag-

R. D.

## Steak is oilman's staple food

YOU CAN spot the oilman at Aberdeen's Dyce Airport. He is often at the bar having his first drink after two dry weeks offshore while he waits for a flight home.

Often he wears a jeans suit, he occasionally wears an American baseball hat and may be carrying a Samsonite briefcase smothered with stickers from his past travels.

If there is any AA or Michelin guide to conditions on the North Sea oil platforms, it is probably exchanged verbally at the airport bar where the paths of the oilmen cross briefly.

Most of the comparisons about life offshore are about the hours spent off duty. With his oil-smeared boots off and standing in the rack by the door, the oilman inside the accommodation module is as far away as he is able to get from the noise of the sea below. Their rooms usually have two bunks, and clothes can be washed in the platform's laundry in 15 minutes.

Steak, predictably, remains the oilman's staple food although it does not always cover the plate as legend would have it. Occasionally a trawler will come alongside and offload a few boxes of freshly caught fish for a special treat.

A soft ice-cream dispenser is used rather like the office worker might use a water fountain. The 200 men on Beatrice consume an estimated 2,000 ice-cream cones a week.

Bulging waistlines would be more of a problem were there not hundreds of stairs to clamber up and down in moving about the twin platforms.

Beatrice is probably the only platform close enough to the UK mainland to pick up shore-based television signals. On other a constant turnover of video cassettes provides entertainment.

During the hours between shifts the oilmen may spend time either glued to their televi-

sion sets or possibly watching birdlife. Some are writing books.

Work offshore is still lucrative for the top oilmen, engineers and managers. The senior man on Beatrice can expect between £25,000 and £30,000 per year.

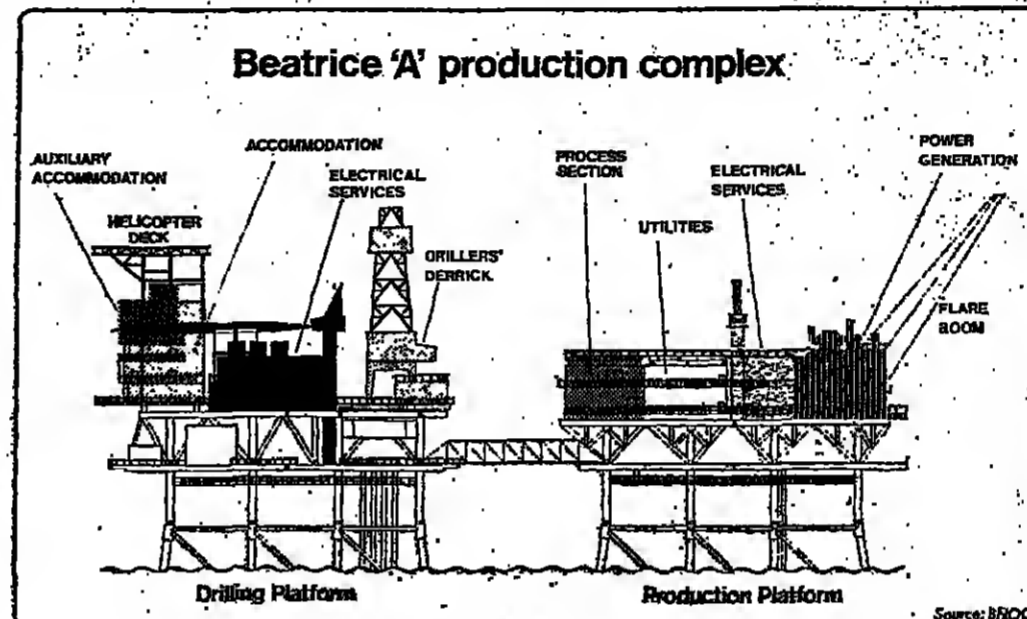
But wages at the level of the manual workers and maintenance men have tended to be squeezed over the past year, according to employment agencies who supply them.

A manual worker might earn £14,000 for offshore work but much of the employment is tied to specific operations such as painting a platform and offers no assurance for the long-term.

BNOC is not unionised offshore but the corporation has an understanding with the Inter-union Offshore Oil Committee, an association of unions affiliated to the TUC.

Members of the UK Offshore Operators Association such as BNOC have an understanding, which allows the committee to visit installations to discuss with staff whether they wish to join a union.

M. M.



## High number of British suppliers

THE VALUE of sales of offshore oil and gas will probably reach more than £13bn this year. About one-fifth of the money invested in industry in the UK goes into oil and gas production.

This is the impact of the North Sea on the economy of the UK and the most important reason why the Government through an office in Glasgow does its best to encourage offshore developers to use British industrial resources.

The Offshore Supplies Office also watches the actual proportion of the orders going to British-based—but not necessarily British-owned—companies each year.

This figure last year declined to 67 per cent from 71 per cent the previous year, reflecting some slowdown in offshore development.

BNOC took over as operator of the Beatrice project from the American Mesa Petroleum Company after a worrying start in terms of British business. The contracts for the construction of the platform jackets—the steel legs which go down to the sea floor—had already gone to a Spanish company, Dragados y Construcciones, though much of the steel was British.

Since it took over, however, BNOC has achieved an estimated 89 per cent UK content of the work. More than 55 companies are on the list of contractors who helped build the offshore platform and onshore terminal at Nigg. A further 30 companies helped out supplying the project with everything from drilling equipment to decorations for the accommodation modules.

At a crucial stage in the building of the platforms BNOC established a presence in the McDermott fabrication yard at Ardersier near Inverness to supervise and test equipment as it was in production. Fabrication yards often do not take kindly to such close attention from a client, but BNOC engineers feel the co-operation worked well and achieved great savings in time, especially on pre-testing equipment on completion. Experts were brought in from the Thistle field and the result was even an underspending in some aspects of construction.

At the Nigg terminal, by contrast, there were snags to be sorted out, BNOC found. The terminal was built on reclaimed land in the Cromarty firth, which had been dredged by Costain Blankenvoort (UK). But in constructing a jetty from the

storage tanks to the tanker berth it was found that the steel piles were not setting in the soft ground.

Against the George Wimpey Engineers devised a technique of using fanned piles, welding four or six "7" sections along the bottom of the piles to give them better purchase in the ground.

Offshore the heavy machinery of the production platform, where the oil is treated and gas taken off, was installed. Seven Ruston turbines were bolted in place to produce enough electricity for a town of 15,000 people. They were to be powered by the gas brought up with the oil.

Honeywell computers were installed to monitor all aspects of drilling and production as well as the elaborate safety and anti-pollution measures on Beatrice. An estimated 25 per cent of the production costs in the £650m project is thought to have been spent on the special steps for handling Beatrice's waxy type of crude oil, including lagged piping and oil handling equipment and heating plant.

The hold of one of the three supply boats from Stirling Shipping, the Stirling Sword, was converted to carry the special PPD solvent which is used to

increase the oil's fluidity. The Stirling Skua and Stirling Cormorant each make about 10 round trips a month to supply the Beatrice platform.

BNOC takes delivery of an emergency vessel, the Moray Harstad, from Harstad Marine later this month. It will have firefighting and anti-pollution equipment and will replace two vessels, the Rig Express firefighting vessel and Clean Seas One, presently on station.

On shore, BNOC has been having second thoughts about a supply base which the Cromarty Firth Port Authority had pressed it to build at Invergordon, near Nigg. BNOC wants to service Beatrice from Peterhead and has drawn up plans to seek outside contractors interested in operating or buying the Invergordon base for offshore work.

Although Beatrice is only 12 miles offshore, transporting the 200 crew to and from the platforms still involves a 40-minute helicopter ride from Aberdeen. Bristol Helicopters' large S-61 helicopter, the Kilo Bravo, was virtually assigned to Beatrice, spending 80 per cent of its flying work carrying men and supplies back and forth.

M. M.

## ENERGY INFORMATION FOR SALE

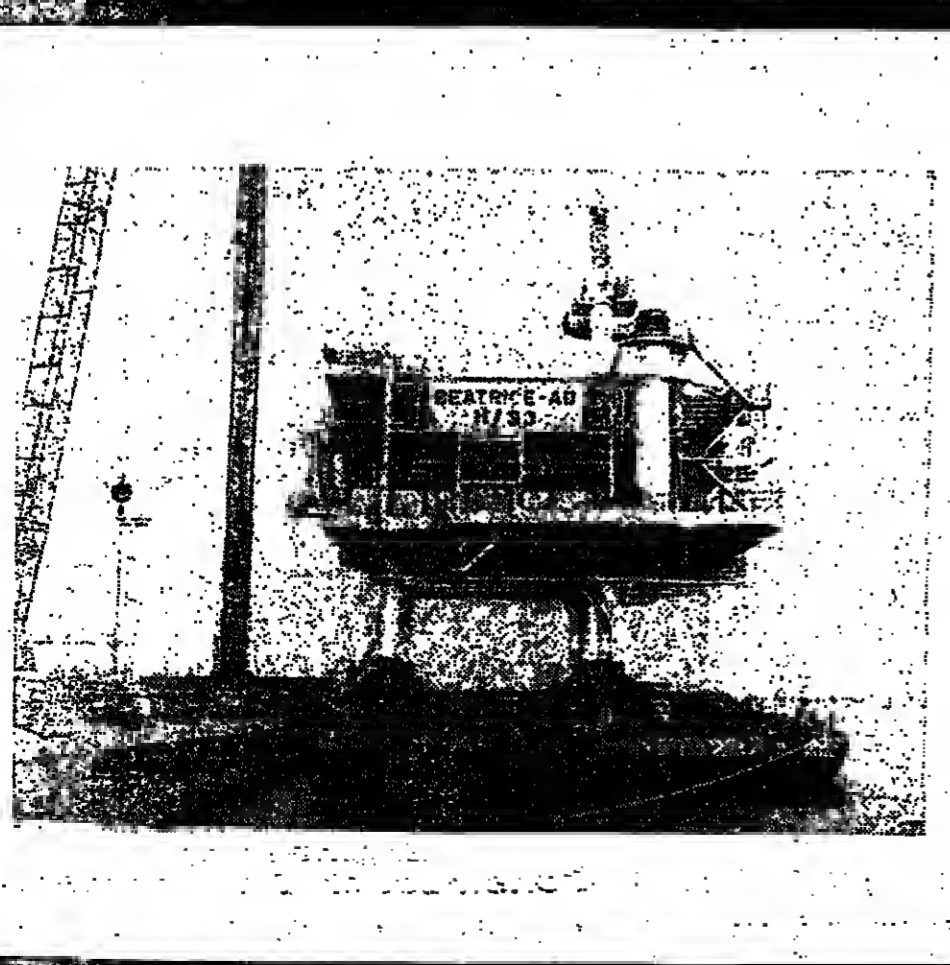
The Financial Times series of newsletters on energy topics combines the accuracy and authority of the Financial Times with the exclusivity, depth-of-detail and conciseness of a specialist newsletter.

- European Energy Report (twice monthly) covers European energy policy, technology, contracts, personalities and events plus data on production, pricing and trading.
- North Sea Letter (weekly) monitors and analyses exploration and production, oilfield economics, rig and service vessel markets, contracts, technology, finance, government policy and operator activities.
- European Energy Profiles (twice monthly) analyses the current energy picture of each of the 19 West European countries in turn with an annual review of Western Europe as a whole making up the 20th issue.
- Energy Economist (monthly) provides a regular overview of world energy developments, with the emphasis on analysis, production and trend identification.
- International Cost Report (twice monthly) provides updates on competing markets, government policies, investment plans, distribution, technology, costs, contracts and trends in consumption and production.
- World Solar Markets (monthly) reports and analyses developments in the world renewable energy industry pin-pointing business and investment opportunities.
- World Petrochemicals (twice monthly) reports and analyses the latest developments in the international petrochemical industry. Coverage includes production and consumption trends, prices, policy, companies, distribution and technology.

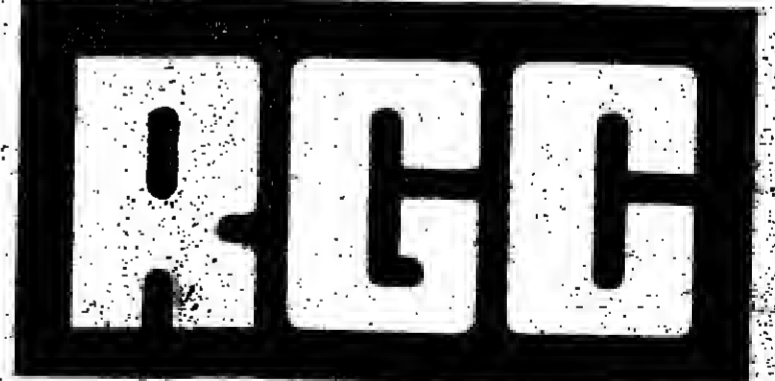
To receive a sample copy of any of these newsletters, plus details of subscription rates, please tick the appropriate box(es) and return the coupon to the address below.

To: The Marketing Department, FT Business Information Ltd, Bracken House, 10 Cannon Street, LONDON EC4A 3DF.

Name \_\_\_\_\_  
Position \_\_\_\_\_  
Company \_\_\_\_\_  
Address \_\_\_\_\_  
Telephone \_\_\_\_\_  
Nature of Business \_\_\_\_\_



CONGRATULATIONS TO BNOC AND OUR THANKS FOR THE OPPORTUNITY TO PARTICIPATE IN YOUR SUCCESSFUL BEATRICE PROJECT



RGC OFFSHORE LTD

Methil Works, Wellesley Road, Buckhaven, Fife, Scotland, KY6 3BA

Telephone: 0592 268181  
Telex: 727194 RGC M - G

# BEATRICE OIL FIELD III

## Greater priority for smaller finds

THE DEVELOPMENT of the Beatrice Field is a clear sign that the North Sea oil industry has left behind the euphoria of the initial giant discoveries and settled into a pattern familiar to all who have worked in mature oil-producing regions.

Now development work is based largely on the exploitation of medium-sized fields, prospects which might have been given a fairly low priority in the 1970s when interest was focused on such huge discoveries as the Brent, Forties or Ninian fields.

According to the UK Offshore Operators Association, the first 26 fields—now producing or under development—contain average recoverable reserves of more than 400m barrels. On this basis, Beatrice ranks as one of the smaller fields although it does have the advantage of lying close to land in relatively shallow water.

But Beatrice's reserves appear attractively large when set against the majority of fields that will be exploited in the future. The operators' association has identified another 11 potentially commercial fields which, it says, contain an average of 100m barrels of recoverable oil. British National Oil Corporation's Clyde discovery falls into this category.

Beyond that there are reckoned to be at least 37 "marginal" discoveries con-

tain an average of only 60m barrels. If the North Sea follows the pattern of other mature oil-producing regions it will be these smaller fields which will make up the bulk of future development projects.

Latest Energy Department estimates show there is a good deal more oil to be found and exploited in the North Sea and other parts of the UK Continental Shelf. Oil reserves in present discoveries are thought to be in the region of 1.5m-1.8m tonnes, some four to five times the amount of oil produced from the North Sea so far (354m tonnes). At the present rate of UK oil consumption (about 75m tonnes annually) these reserves should be sufficient to last well over 20 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

But the Energy Department believes that there could be up to 2.2bn tonnes of recoverable oil contained in future discoveries. If the UK continues using oil as it does at present then ultimately there could be enough domestic supplies to keep the country self-sufficient in oil for the next 52 years.

lying on the UK Continental Shelf, the country may find itself becoming a significant net importer again well before the turn of the century.

That warning has been repeated time and again during the past year. For the oil industry claims it has insufficient incentive to invest in expensive, and risky, oil field development projects. It is now two years since an oil company sought from the Government—and gained approval for—a new oil field development.

Builders of offshore platforms and modular production and accommodation equipment are screaming for new orders. In recent months over 2,000 jobs have been put at risk through the posting of redundancy warnings.

Capital investment in the North Sea last year may have reached £2.8bn—about one-fifth of total UK industrial investment—but that level of spending was largely influenced by development decisions taken a couple of years ago. As one leading oil industry commentator put it: "The oil companies have gone on an investment strike."

There is no single reason for this hiatus, as the operators of three deferred projects have emphasised. Shell, with its Tern Field, Phillips Petroleum with its complex of reservoirs in the so-called T Block, and British Petroleum with its Andrew discovery have all shelved develop-

ment plans giving as their reasons oil price uncertainties, high taxation and the need to review production technology.

The recent fall in North Sea oil prices—the reference level dropped from \$39.25 a barrel to \$31 a barrel before rising again to \$33.50 on June 1—and the more cautious view about future oil price rises have forced all operators to look again at their production techniques. Their aim will be to reduce development costs by employing new technology such as floating production systems and seabed well units.

Oil companies may be concerned about oil prices and technology, but it is the vexed question of taxation that is provoking the most persistent industry outcry. For years companies have moaned about the level of taxation. In the past 12 months or so they have added to their complaints the uncertainties caused by a constantly changing tax system. So concerned did they become that the industry agreed to submit a unified challenge—through the Offshore Operators Association—to Sir Geoffrey Howe, Chancellor of the Exchequer. Such unity was impressive in itself given the widely varying tax positions of the association's member companies.

The Chancellor listened and acted in his March Budget. He proposed the phasing out of the much-maligned Supplementary Petroleum Duty but at the same time he changed the nature of

Petroleum Revenue Tax. The outcome was that the marginal rate of taxation was reduced from 90.3 per cent to 89.5 per cent. The industry is still complaining bitterly for in the 1978-79 period, when it was being encouraged to develop fields as quickly as possible, the marginal tax rate was just 76.9 per cent.

Within the past few weeks the Chancellor has turned down an offshore operator's request for a joint industry-Treasury study into the tax structure. But he has invited companies to submit information about individual projects.

The Government, with its need of tax revenue (£8.4bn in 1981-82), is as anxious as any one to see new North Sea fields



A tanker loading at the terminal. A permanent boom is installed at the jetty to encircle a ship in the event of an oil spill

developed. Companies are confident that eventually the right tax balance will be struck. This is one reason why they continue to bid for exploration licences and carry on looking for new reservoirs. Last year 73 exploration and appraisal wells were drilled on the UK Continental Shelf. Exploration activity was at the highest level since 1977. Twelve discoveries were announced—the highest number since 1976.

Whether these new discoveries will be developed will depend ultimately, to a large extent, on future oil prices, production technology and taxation.

R. D.

## Perseverance in unconventional field paid off

The \$500m development of the Beatrice field has followed a highly unconventional pattern—right from the summer day in 1976 when oil was first found in what was then known only as block 11/30.

An exploration licence for block 11/30 had been awarded in 1972 under the UK's fourth round of licensing. But few oilmen thought there was much hope of making a significant discovery in the area. The block was close inshore and seismic surveys did not look very promising.

Yet a consortium of smaller companies—Kerr McGee, Esso, Cressleum, P & O Petroleum and Mesa Petroleum—the operator for the group—refused to be disheartened about the prospects for finding oil. And their perseverance paid off—in more ways than one. Many oil industry experts believe their discovery of the Beatrice field has ensured that smaller, independent companies will never be excluded from North Sea exploration.

Approval for the development was given in 1978. The following year saw the first changes in the original consortium which had found the Beatrice field. Cressleum's 15 per cent interest in the field was taken over by the German-based Deminex—with BNOC having an option to take one-third of that interest.

At the same time BNOC took over the Mesa interest with a separate agreement with Deminex that should have 12 per cent of Mesa's 25 per cent stake while the corporation would have 13 per cent.

The agreements, which involved BNOC paying \$87m for Mesa, were completed in 1979—the year in which the state-owned corporation acquired part of Hunt's 15 per cent stake in the field and in which British Petroleum took over P & O's 15 per cent interest.

Sue Cameron

The result of this somewhat complicated change of hands was that BNOC achieved its aim of becoming the operator on the Beatrice field. Mesa appears to have sold out because it wanted to concentrate on its real forte—exploration. And BNOC wanted another operatorship.

At the time, the corporation had had only one operatorship—that of the Thistle field. It had taken this over in 1976 and Thistle had started production in 1977. BNOC had therefore been on the lookout for another operatorship that would give it further experience as well as continuity.

### BP sells its stake

Today the Beatrice partnership is as follows: BNOC, the operator, has a 28 per cent stake; Deminex (UK Oil and Gas) has 22 per cent; Hunt Overseas Oil has 10 per cent; Kerr McGee has 25 per cent and BP Petroleum Development 15 per cent—although BP has now announced that it is to sell its interest. It is thought that BP wants to concentrate its efforts on fields where it either has the operatorship or where it has a larger stake than 16 per cent.

BNOC's 28 per cent share of the \$500m cost of developing Beatrice was met from general corporate finances—which in the corporation's case means that most of the money came from the National Oil Account, a Government fund set up when BNOC was established in 1976.

The account is to be ended when BNOC's exploration and development activities are boosted off later this year. The new company, Britoil, will take over the operatorship of Beatrice. BNOC does not expect the handover to bring any problems—merely a change of name.

Sue Cameron

## Government to sell part of BNOC stake to investors

THE GENERAL public will soon have an opportunity to invest in British National Oil Corporation's 28 per cent operating stake in the Beatrice Field.

The oil-producing asset will be part of an exploration and production package that the Government intends to sell to the public as part of its wider "privatisation" proposals.

Included in the deal will be interests in at least a dozen commercial oil and gas fields including seven in production (Beatrice, Dunlin, Murchison, Ninian, Stactford, Thistle and Viking), two under development (Brae and Hutton), and at least three which are likely to be exploited in the next few years (Clyde, North Brae and North Thistle).

BNOC's equity interests in these fields, together with its

other extensive exploration acreage, are to be hived off under a new company—Britoil—as a result of the Oil and Gas (Enterprise) Bill now being steered through Parliament. Mr Nigel Lawson, Energy Secretary, has made it plain that he wants to offer to the public 51 per cent of the shares in Britoil before the end of the year.

The exact timing of the sale, and the likely amount to be raised for Treasury coffers, are still a matter of some conjecture. Much will depend on the City's confidence in the oil sector of the Stock Market which, in turn, will be influenced by oil price projections.

Mr Philip Shelbourne, the Corporation's chairman, hinted six weeks ago that shares could be offered in October or November, possibly on a party-

paid basis. By spreading the payments over a period—say, six months—the danger of indignation in the City would be reduced. Internally, BNOC has been working on the assumption that the sale could raise about £750m.

The extent of the assets on offer is indicative of the exceptional and controversial growth of the state oil corporation

When it emerged in January 1976, the Corporation received considerable Government encouragement to acquire North Sea interests (and expertise) from the National Coal Board and the then eiling Burmah Oil Corporation. Under Labour it was given preference in exploration licence rounds. Under the Conservatives, however, BNOC has been

stripped of most of its privileges. It has been told to act like a commercial oil corporation.

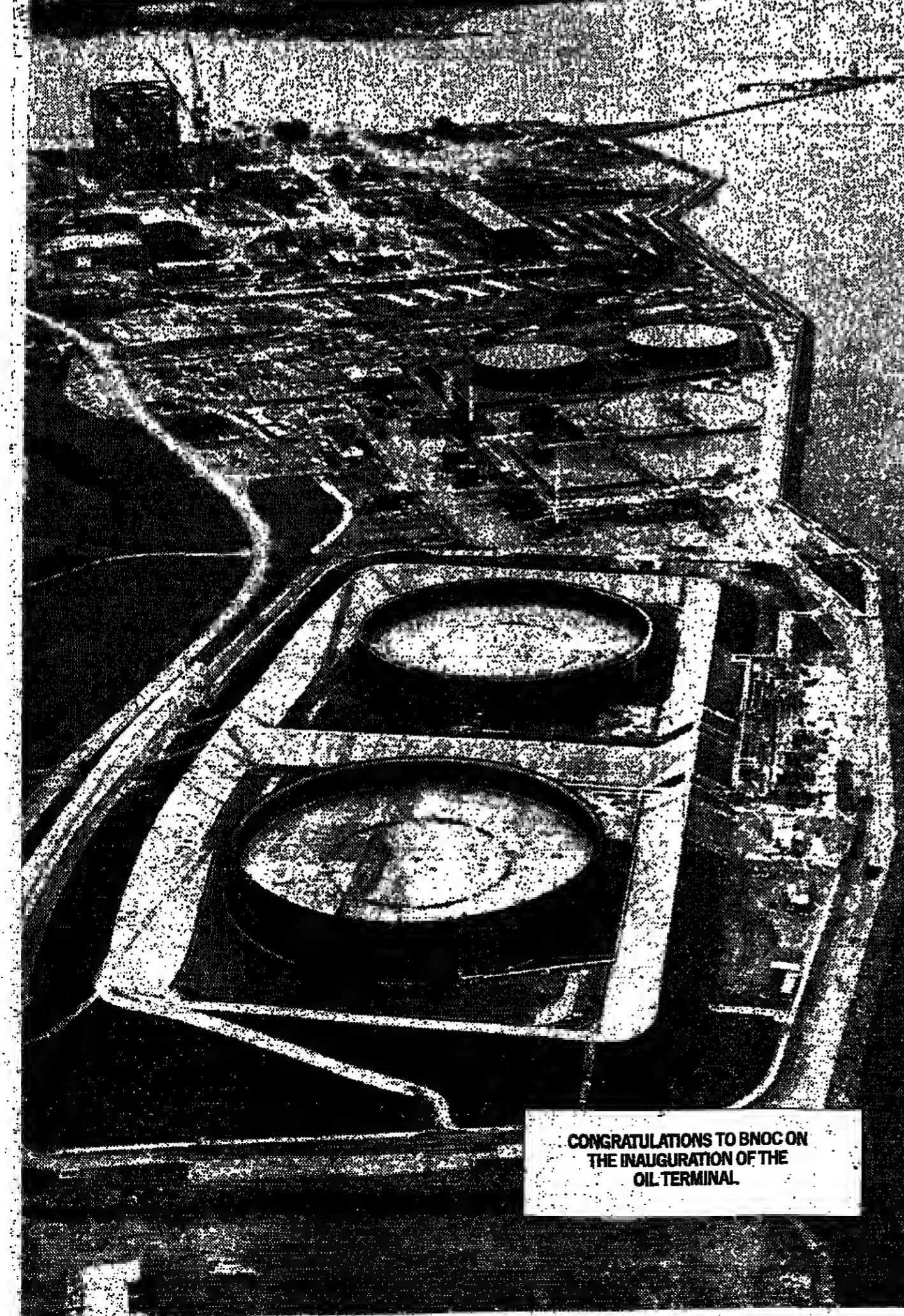
But thanks largely to those early years the corporation has emerged as a major force in the North Sea. Its equity share of production at the end of December was 142,000 barrels a day, an amount which is still rising. Last year the corporation was involved in the drilling of 28 exploration and appraisal wells, more than a third of the total sunk on the UK Continental Shelf.

BNOC's influence is even more marked in terms of oil trading and price fixing. In 1981 the corporation handled just over 1m barrels a day of crude oil—more than 58 per cent of the total amount produced on the UK Continental Shelf. Most of this oil was traded on behalf of the Government, which is

**How BNOC Has Grown**

	1977	1978	1979	1980	1981
Sales (£m)	28	432	3,245	4,223	5,752
Net fixed assets (£m)	527	693	901	1,006	1,085
Pre-tax profit (loss) (£m)	(30)	(26)	77	309	439
Crude oil sales ('000 barrels per day)	Nil	154	939	947	1,046
Investment in exploration and appraisal wells	21	22	23	25	26

Source: BNOC.



CONGRATULATIONS TO BNOC ON THE INAUGURATION OF THE OIL TERMINAL

## Wimpey meets a challenge at Nigg

When you're Europe's largest contracting organisation, you can certainly recognise a challenging contract when you get one. Nigg Oil Terminal is where the oil from the Beatrice field is piped, processed, stored and loaded out onto tankers. This project presented just such a challenge and Wimpey completed it on time (in just over two years). It demanded the consistent efforts of our specialist subsidiary and associated companies interlocked with the multi-disciplinary skills of the Wimpey project management, design and construction teams to provide a "total capability" service.

On a multi-million pound contract—built upon undeveloped foreshore—the pre-planning and integration of the engineering work with procurement and construction was vital. Computer aided design and management technology proved to be a major factor in the achievement of the tight project programme.

This is how the many elements of the Wimpey Group participated.

### WIMPEY INTERNATIONAL

Wimpey International provided the overall co-ordination of the project. A dedicated task force team was established which worked closely with the client in the establishment of systems and procedures to ensure the efficient progression of planning, design and engineering, procurement of equipment and materials and the execution of the construction works. Data processing systems were employed to ensure that, at all times, the progress and cost evaluation of all aspects of the development could be related to the project objectives.

Wimpey International also carried out all civil and building works comprising the terminal and the associated deep water tanker berth.

### WIMPEY LABORATORIES

The terminal began with the reclamation of 30 hectares of land from the Cromarty Firth. The site investigation was undertaken by Wimpey Laboratories, with particular reference to quality of fill materials, load bearing potential, effects on tidal flow, pollution control and environmental considerations.

### WIMPEY MARINE

This is a specialist company with—among other things—its own independent fleet. On the Nigg project, it was responsible for the supply and operation of marine equipment for the construction of the deepwater tanker berth.

### WIMPEY MECHANICAL, ELECTRICAL AND CHEMICAL

Wimpey ME&C installed the process equipment and the very large quantities of cabling and pipework incorporated in the terminal. To carry out this work in such a short time ME&C

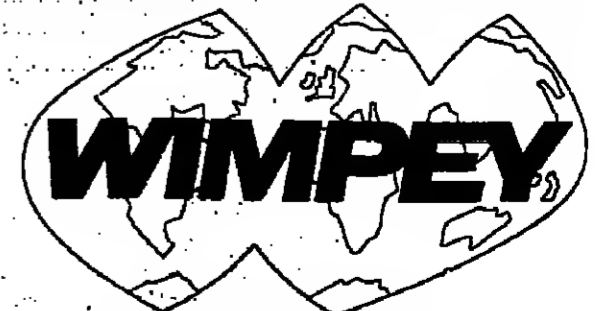
were required to mobilise very high levels of resources, both machines and men, and succeeded in welding together a site team to achieve a satisfactory rate of progress. The ability to execute mechanical and electrical works whilst intensive civil and building activities were under way required comprehensive construction management skills; ME&C also played a major part in the overall project management and design effort.

### BROWN AND ROOT - WIMPEY HIGHLANDS FABRICATORS

This Company's fabrication yard and rolling mill at Nigg Bay, adjacent to the terminal, were brought in for the production of piles, structural steelwork and jacket structures for the tanker berth.

### WIMPEY ASPHALT

Wimpey Asphalt surfaced over 6km of roads around the terminal and laid the special sand-bitumen bed upon which the major tanks were constructed.



**Engineering Construction Development**

Client: B.N.O.C. (Development) Ltd.

George Wimpey PLC, Hammersmith Grove, London W6 7EN Tel: 01 748-2000 Telex: UK 25666 Overseas 22436

# Accountancy Appointments

## DIVISIONAL ACCOUNTANT

£13,000

Age 25-30

City

The expanding financial services division of a major insurance broking group requires a young chartered accountant to head its accounts team. Reporting primarily to the Finance Director, he or she will become involved in general management, financial reporting and other duties.

Candidates should have a flair for systems and the personal qualities to enable them to contribute to a fast-moving, entrepreneurial organisation. Experience of computer operations and of the insurance industry is desirable. This is an opportunity for commercially-minded accountants wishing to leave the profession. Please apply to Sir Timothy Hoare.

Chichester House, Chichester Reits, **Career plan** London WC2A 1EG. Tel: 01-242 5775

**Career plan**  
LIMITED  
PERSONNEL CONSULTANTS

## GROUP FINANCIAL ACCOUNTANT

City

c. £15,000 + car

For a leading publishing group with a pattern of growth and plans to remain in the forefront as information providers.

This growth creates the need for an additional accountant at group headquarters to take over responsibility from the group chief accountant for financial accounting (including quarterly CCA accounts), cash and credit control, tax liaison and assistance with corporate plans and the development of Management Information Systems with financial modelling.

Suitable candidates, male or female, must be chartered accountants aged 28-35 with senior experience in an international practice or in a commercial/industrial company with sophisticated accounting systems. Man-management experience would be an advantage.

For an application form telephone 01-236 3561 (24 hour service) or write in confidence, quoting reference 1821/L, to M. J. H. Coney, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London, EC4V 3PD.

## Young Accountant

Major Publishing Company 25/32

c.£11/£12,000

Our Client has international and diverse interests across the whole field of magazine publishing, directories and computerised information areas. They seek a recently qualified Accountant to perform an Internal Audit role at Head Office level. In addition, he/she could be involved in management accounts, consolidations, trouble shooting etc. Our Client's offices are in Central London but the job will include around six weeks travel per year to Australia, South Africa, Scandinavia etc.

They seek a 25/32 year old, ACA, ACMA, or ACCA who has experience of audit work and of computerised systems. The person appointed should be a practical individual who has worked either in a major audit practice or alternatively in a similar function with a major international company. The job is likely to lead to a line position in financial management in around two years' time.

Please write with full details of experience to Colin Barry at Overton Shirley and Barry, (Management Consultants), Second Floor, Morley House, 26 Holborn Viaduct, London EC1A 2BP. Telephone: 01-583 1912.

**Overton Shirley and Barry OSB**

## Financial Director Designate

Midlands

c.£14,000+car

Our client, a highly enterprising and profitable private company producing a range of garments for Marks & Spencer, is creating this new appointment to bring a professional direction to the management of its entire accounting and finance function with an emphasis on the development of systems appropriate to its growth planned to reach £15M by 1984.

Candidates, male or female aged ideally under 35, must be qualified members of one of the leading accountancy institutes, and be experienced at or near Board level with evidence of drive and commercial flair.

The salary package is negotiable around £14,000 p.a. plus company car and other normal benefits including re-location expenses, if appropriate, to an attractive Midlands town.

Please write in confidence, initially with brief details, and quoting reference 1226 to John Anderson, as Advisor to the company, at-

**John Anderson & Associates**

Norfolk House, Smallbrook Queensway, Birmingham B5 4LJ.

A trans-national Construction Company requires a

## FINANCE EXECUTIVE

based in Central London to look after its financial and banking interests.

Selected candidate may be aged between 26-34 and a qualified Chartered Accountant with at least four years' experience in all aspects of commercial banking gained in a large international bank. The present job could be a stepping stone to wider development in a forward-looking organisation.

Salary and perquisites are negotiable. Please write in confidence to:-

**MAKERS DEVELOPMENT SERVICES PVT. LTD.**  
16, Castlecrees, Hyde Park Crescent  
London, W2

## Financial Controller Designate

London W.1

c. £17,500 + Car + Benefits

Our client is a professional body for doctors and dentists in the UK and overseas providing an advisory and indemnity service. In 1981, there was a membership of over 100,000 and a subscription income of over £8 million. The Head Office is in London with branch offices in Manchester and Sydney, Australia, and there is strong overseas membership in Commonwealth countries.

The impending retirement of the Financial Controller has created the need to recruit a replacement, responsible for policy making and planning with particular emphasis on financial, computing and administrative aspects.

Our client seeks an applicant who has:

- \* qualified as a Chartered or Certified Accountant, and is aged between 33 and 50
  - \* the ability to communicate effectively at all levels.
  - \* at least five years' management experience, preferably in a service industry, possibly accountancy or insurance.
  - \* demonstrated a willingness to travel abroad.
  - \* the ability to manage some twenty staff through three managers.
- Our client offers:
- \* a stimulating and challenging position, responsible to the chief executive.
  - \* a progressive salary related to merit and the cost of living.
  - \* generous holiday and personal insurance arrangements.
  - \* a car commensurate with status.
  - \* advantageous housing/mortgage loan arrangements.

For further information please write in complete confidence, submitting a curriculum vitae quoting reference 5840 to:

Peter Childs,  
Pamell Kerr Forster Associates,  
Lee House,  
London Wall,  
LONDON, EC2Y 5AL

**Pamell Kerr Forster Associates**  
MANAGEMENT CONSULTANTS

## FINANCIAL MANAGEMENT

Our 1981 Annual Report shows pretax profits of £438 million on equity sales of £832 million; capital expenditure was over £260 million. The Corporation was the most active explorer on the UK Continental Shelf and is expanding into international activities.

New challenging senior positions, based in our Glasgow Headquarters, have been identified in two business areas:

### BNOC (DEVELOPMENT) LIMITED

manages exploration, appraisal, development and production where BNOC is the operator currently on the Thistle, Beatrice and Clyde oil fields and the Northern Leg Gas Pipeline.

#### Manager, Policies and Procedures

(£19,000+car)

ref MPP/DSL/FT

Responsible for rationalising divisional financial policies, systems and procedures and working with computer specialists in defining and implementing these systems. You should be a qualified accountant with 10-15 years' of broad business experience within a large organisation, using sophisticated computer accounting systems and control techniques. Alternatively an experienced management consultant could be suitable.

#### Assistant Financial Controller

Development Projects (£15,000)

ref AFC/DSL/FT

This is concerned with the development, monitoring and financial analysis of development programmes and other capital expenditure. You should be a qualified accountant with 5-10 years' relevant experience and/or a graduate with business school or economics qualifications with experience ideally in the control of large projects.

### BNOC (VENTURES) LIMITED

manages equity interests in over sixty exploration licences and seven oil and gas fields under development or in production where other companies act as operator.

#### Audit and Accounts Controller

(£19,000+car)

ref AAC/KWM/FT

Responsible for managing our team of joint venture auditors and a small accounting group. You will also lead the development of computer-based financial database and accounting systems. You should be a qualified accountant with 10-15 years' audit and broad accounting experience probably gained with the larger professional firms, and with experience of financial systems.

#### Assistant Financial Controller

Financial Evaluation (£15,000)

ref AFC/KWM/FT

You will join a small team working on financial planning and the analysis of proposed new joint venture projects. You should be a qualified accountant and/or a graduate with business school or economics qualifications, with 5-10 years' relevant experience.

We offer a very comprehensive salary and benefits package, which includes generous assistance with relocation arrangements where appropriate, outstanding pension and life assurance provisions and BUPA facilities.

Please apply in writing for an application form, clearly stating the position in which you are interested and quoting the reference, to: The Divisional Personnel Officer, The British National Oil Corporation, 150 St. Vincent Street, Glasgow G2 5LJ.



**Financial control with  
The British National Oil Corporation**

All posts open to men and women.

## Financial Director

Leicester

c.£20,000+car

Would you wish to recruit a Financial Director? The Group operates internationally and is primarily engaged in the manufacturing and servicing of woodworking machinery and machine tool equipment. Annual sales are in excess of £25m. The appointment of a Financial Director at Group level is being made to provide additional financial expertise to assist the Group Board in planning for the future. The appointment will be located in Leicester.

The Financial Director will report to the Chairman and be responsible for all financial and accounting matters, with special emphasis on the co-ordination and interpretation of divisional management accounts and the further development of computerised management information systems. He will also be expected to contribute significantly to the Group's commercial policies.

Applicants should be qualified accountants who can demonstrate excellent communicative and management skills alongside the technical ability to upgrade and computerise management information based on sophisticated modern data processing facilities. Age is not a critical factor although senior accounting expertise within a manufacturing company is essential.

An excellent salary and benefits package is offered including assistance towards removal expenses where applicable.

Candidates, male or female, should write in confidence, giving concise career and personal details and quoting reference MCS/1050 to:

Roger Chappell, Management Consultancy Department,  
Southgate House, 61, Millstone Lane, Leicester, LE1 5QA.

**Pace Waterhouse Associates**



## Accountants

OPPORTUNITIES IN THE OIL INDUSTRY

Petrofina (UK) Limited is a highly successful subsidiary of one of Europe's largest companies. Our Head Office is currently in Waterloo, but we will be moving to Epsom early in the New Year.

Right now we have vacancies for two ambitious, outgoing professionals in our accounts team.

### Senior Taxation Accountant

This position requires a member of the ATII with previous experience in either a professional environment or with the Inland Revenue. Aged 28-35 the successful applicant will probably have ACA or ACCA qualifications and knowledge of the Oil Industry would be an advantage. The position will involve dealings in CT, CGT, DLT and VAT.

### Supervisory Accountant (Qualified or finalist)

Supervising the accounting for our North Sea operations and UK based subsidiary companies the successful minor work will probably be in their early 30's with experience in North Sea Oil Taxation and accounting. You will be expected to establish and maintain contact with various governmental departments, our parent company and our operating partners as well as supervising the production of capital project appraisals.

Both the above vacancies offer a remuneration package commensurate with responsibilities and experience.

Please write with full career details to date to:

Christine Hall,  
Staff Department,  
Petrofina (UK) Limited,  
Petrofina House, 75-79 York Road, London SE1 7NL.

**FINA**

# Accountancy Appointments

## New Group Operational Audit Function

London

£12,000 - c.£15,000  
+car+benefits

A major international industrial and trading Group, turnover £2 billion plus, has recently appointed a Group Audit Manager to set up a department with a modern positive audit approach, working initially in the UK but later extending overseas.  
The department's responsibility will include the monitoring of local auditors and the carrying out of operational control systems reviews.  
The new posts include:  
— a senior position for a qualified accountant, preferably with industrial or commercial experience and a sound knowledge of computerised systems  
— further appointments for qualified accountants, self-starters with at least two years' post qualifying experience.  
There are unusually good prospects for career advancement.  
Please write, quoting reference 2690/L, and enclosing curriculum vitae, to N. Halsby, 165 Queen Victoria Street, Blackfriars, London, EC4V 3FD. Replies will be forwarded to our client, and organizations in which you are not interested should be listed in a covering letter.

Peat, Marwick, Mitchell & Co.  
Executive Selection Division

## CHARTERED ACCOUNTANT

SAUDI ARABIA  
C.£22,500 P.A. TAX FREE

Advise Government Dept on maintaining our position within the accelerating evolution of the leisure industry. We are penetrating lucrative new markets, both at home and overseas, with the next generation of our technologically advanced gaming and amusement machines.  
We operate in a fast moving challenging market place. Our current turnover exceeds £15m and we are a subsidiary of Cope Allman International, a £200m industrial holding company.  
The man or woman we appoint to succeed our recently promoted Finance Director will have a solid industrial

## Finance Director Financial Success is more a question of skill than luck

Up to £17K + Car

Through high investment we are maintaining our position within the accelerating evolution of the leisure industry. We are penetrating lucrative new markets, both at home and overseas, with the next generation of our technologically advanced gaming and amusement machines.  
We operate in a fast moving challenging market place. Our current turnover exceeds £15m and we are a subsidiary of Cope Allman International, a £200m industrial holding company.  
The man or woman we appoint to succeed our recently promoted Finance Director will have a solid industrial

accounting and financial management background and will be responsible for all aspects of financial planning and control within the company, reporting to the Managing Director. In particular, these duties will include the development and monitoring of budgets, effective cost control and ensuring the

Nottingham

financial viability of all commercial activities, especially in export markets. Professionally qualified, you will probably be aged 35-45 and will already have been responsible for the financial management of a manufacturing company, ideally in the electrical or electro-mechanical sector. Energy, drive and effective presentation at Board level are essential qualities.  
We invite suitably qualified applicants to write, enclosing a full CV to:- David Gerth, Group Management Development Manager, Cope Allman International PLC, 27 Hill Street, London W1



## UK & INTERNATIONAL APPOINTMENTS

**GROUP ACCOUNTANT** c.£14,000  
An international insurance company with its regional H.Q. in London offers a varied group accounting role to a well qualified accountant aged around 30. Responsible for improving financial reporting systems you will either be at manager level within the profession or possess the experience of international branch accounting.  
C. LONDON JG/2388A.

**TAX PLUS** c.£11,500  
A substantial UK group offers a varied and challenging role to a young ACA. As Deputy Group Financial Controller you will be responsible principally for providing tax advice to minimise the Group's liability. In addition you will advise overseas subsidiaries and assist in the preparation of group accounts. Although not a specialist the successful candidate will possess a sound background in corporate tax.  
LONDON JG/1088A.

**TAX ADVISOR** c.£22,000+Car  
A major UK international company with diverse interests both in the UK and overseas, with their attendant tax problems, are seeking a hard-headed professional. You are now a senior manager in a major practice or in industry seeking an environment where you can contribute in the broader issues of taxation with excellent promotional prospects.  
C. LONDON RP/1003B.

**TAXATION ACCOUNTANT** to £15,000+Car  
Do you consider you have a feel for the commercial approach to taxation combined with a high level of technical skills? With 3/4 years post qualification experience either in the profession or industry you will receive substantial exposure to international tax and compliance in a broadly based UK company.  
C. LONDON PG/1003A.

**TREASURER** c.£16,000+Car  
A highly successful international electronics company are seeking a well qualified treasury professional aged 28-32 to make a positive contribution to their continued development. Excellent experience should have been gained in financial/tax planning, cash management, and credit control, together with staff supervisory experience in the treasury function.  
W. LONDON RP/1001B.

LEE HOUSE, LONDON WALL, EC2. 01-606 6771

## ROBERT HALF

ACCOUNTING, FINANCIAL AND BANKING RECRUITMENT & SEARCH CONSULTANTS

## Financial Analyst

c. £11,000+benefits

The Chase Manhattan Bank is looking for an individual to assist with its Budget and Planning function. Responsibilities will include identification of specific management information needs of a designated area of the Bank; the role of financial advisor on business plans and new product development; review of performances against budget, and the preparation of the annual budget and of strategic plans.

The successful candidate, probably a part or fully qualified graduate accountant (ACA, ACMA, ACCA), will have at least two years' experience in a commercial or industrial environment. We are looking for a mature, highly-motivated individual who possesses the well-developed written and verbal communication skills this position requires.

In addition to a competitive salary, fringe benefits include preferential mortgage and personal loan facilities, non-contributory pension scheme and bonus scheme.

Please write with a comprehensive C.V. to Rosemary Swift, The Chase Manhattan Bank N.A., Woolgate House, Coleman Street, London EC2P 2HD.

The public is open to both men and women.



CHASE

## FINANCIAL CONTROLLER

We are a small dynamic and expanding plc with financial and industrial interests who seek a qualified person keen to make a positive contribution within a slim dedicated HQ team.

Responsible to the Chairman and Chief Executive, the position calls for strong emphasis on finance/management accounting, cash flow and controls; and will include secretarial matters. Business experience is essential.

Applicants, ideally in their 30s, should be within 3 hour travel of West End. Remuneration negotiable.

Apply with full details, in confidence, to

Box A7873, Financial Times  
10 Cannon Street, London EC4P 4BY

## QUALIFIED ACCOUNTANTS

CARIBBEAN c. £20,000

This well-known firm of Chartered Accountants urgently require qualified Accountants to join their expanding audit team. Promotional prospects are good, and benefits for the successful applicants, preferably without children, will be generous, as will salaries which range up to £20,000 (Ref: 49627)

LONDON c. £14,000

Recently qualified Chartered Accountants, preferably University Graduates, are sought by this highly respected large firm, to join their Management Consultancy division. Training will be provided both in London and at overseas centres, through a formal development programme. An excellent position for career advancement. (Ref: L1911)

Telephone 01-481 8171 for an initial confidential discussion.

**IPS BANKING & ACCOUNTANCY PERSONNEL SELECTION**  
110, Abchurch Lane, London EC4N 3JL, Telephone 01-481 8171

## SUPERIOR OIL (U.K.) LTD

Superior Oil (UK) Ltd., a wholly owned subsidiary of The Superior Oil Company, which is the largest independent oil company in the United States, is expanding its Accounting Group in London. A challenging position is now available for a

## SENIOR ACCOUNTANT

Minimum 2-3 years' experience with wide knowledge of computerised Joint Venture Accounting Systems. Competitive salary and generous benefits are available to the successful applicant.

Career details should be forwarded to:  
Mr. G. P. Hillier, Superior Oil (UK) Ltd.,  
65 Buckingham Gate, London, SW1E 6AS

## MANAGEMENT ACCOUNTANT CENTRAL LONDON

This is an interesting new position at senior level with one of Britain's leading publishing companies. The post calls for an enthusiastic recently qualified accountant looking to develop his/her career in a stimulating environment.  
The successful candidate will join a small divisional finance team working closely with publishing and marketing management in the development of several key areas of the company's business both at home and overseas. He/she will be expected to make a significant contribution to the development of finance and management information systems with specific responsibilities for appraising and reporting on divisional performance. An attractive salary package commensurate with experience will be provided.

Replies should be forwarded with C.V. to:  
Box A7881, Financial Times, 10, Cannon Street, London, EC4P 4BY

## Consultative Committee of Accountancy Bodies

## Secretary Parliamentary & Law

London

Around £20,000

The Technical Directorate of the Institute of Chartered Accountants in England and Wales wishes to fill one of the most senior positions amongst its 20 qualified staff. This vacancy arises as the result of a recent by-election.

The successful candidate will head a small team, which includes legal and tax specialists, servicing both the Consultative Committee of Accountancy Bodies and the Institute. The work is mainly aimed at representing the profession's viewpoint on technical matters to Government and other organisations and at seeking to ensure that relevant legislation and regulations are practical and reasonable. In the last year, for example, some 130 submissions were made on a wide range of topics affecting the profession.

The role demands sound technical knowledge, clarity of thought and presentation and the ability to manage people and projects against a background of tight deadlines. It will involve frequent contacts with senior civil servants, Members of Parliament, leading City institutions and other professions. Success in this environment will, therefore, provide scope for career development either in the Institute itself, in public practice or academic life.

Applicants (male or female) must be professionally qualified, preferably graduates and aged early/mid 30's. Experience in a major professional firm would be an advantage but breadth of experience and outlook are equally important. Ref: 1238/F.T.

Apply to R.P. Carpenter, FCA, FCMA, ACIS, 2-5 Old Bond Street, London W1X 3TB. Tel. 01-493 0156.

Phillips & Carpenter  
Selection Consultants

## Senior Financial Appointments

Salary negotiable from £12,500 to £15,000

A large City based International Group is seeking three qualified Accountants with a high degree of commercial flair, to fill impending vacancies created by the promotion of personnel in the Finance Division.  
Applicants for these positions must be Chartered Accountants with big firm experience plus 2 years' post qualifying experience and/or appropriate commercial experience. Preference will be given to graduates in the age range 26 to 30. They

must be prepared to undertake substantial overseas travel.

There are medium term prospects of promotion to line appointments overseas.

The remuneration package includes substantial benefits in addition to the basic salary.

Please write with detailed curriculum vitae to Confidential Reply Service, BSR 8431, Austin Knight Limited, London, W1A 1DS. Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.

Austin Knight Advertising



## Management Systems Audit

to £13,500 neg. + mortgage facility

Herts.

A well known Life Assurance Company with assets exceeding £800 million requires a senior qualified accountant, aged up to 45, to control the management systems function. Experience in the insurance industry is advantageous.

Benefits include generous mortgage subsidy, non-contributory pension, relocation expenses, free lunches and flexi-hours.

For full details please write or telephone D. G. Muggard (Ref. 6593).



Mervyn Hughes Group

Garfield House, 86-88 Edgware Road, London W2 2EA  
Management Recruitment Consultants

01-258 3725

## JOBS COLUMN

## What the Minister saw, and how to curb it

BY MICHAEL DIXON

BRITAIN'S OFFICIAL authority on coping with unemployment is, of course, the Manpower Services Commission. And Peter Morrison, Parliamentary Under Secretary for Employment, now has first-hand knowledge of how behind the scenes, the commission itself is tackling the problem.

On a recent Friday he went for talks with the top people of the commission in Sheffield where, as a result of the late Labour Government's decision to give the provinces a stake in expanding bureaucracy, the MSC now has its headquarters. While only just over 1,000 of its total staff of nearly 25,000 are in place there at present, the eventual headquarters complement will be some 1,500.

Of these, only about one-third — mostly clerks, doormen and folk like that, I am told — will be recruited locally. But Sheffield has a severe shortage of jobs because, as the city's chief education officer put it in a letter to the Financial Times two days ago, "the employment tide of the old industrial revolution is ebbing." So every extra post provided by the commission's going native is good news to the locality even though, in the light of Mr Morrison's experience, the same might perhaps not be said of the MSC's value to the general taxpayers who foot its bills.

For it seems that when the

meeting with the top people finished earlier than expected, towards four in the afternoon, the Minister brightly suggested that he go on walkabout to speak with the staff in the splendid new Moorfoot building as they went about their work. The senior officials agreed, albeit, some say, without much enthusiasm. The party thereupon toured the offices.

There were desks, potted plants and other paraphernalia in plenty, I gather. But few if any people were to be seen among them and Mr Morrison's face, once he had made sure that his watch hadn't stopped, was growing darker by the minute. Approaching the computer section, however, the party at last saw several people busily occupied. So the Minister stepped in to pay them his compliments.

They turned out to be playing Space Invaders.

## Quango-control

WHICH RAISES the important question of how better control can be established on the taxpayers' behalf over the activities of the Manpower Services Commission and other quasi-autonomous non-governmental organisations. In theory the quangos are accountable to Parliament through Ministers, such as Peter Morrison, of the Department of State most re-

lated (or should it be least unrelated?) to them.

But as John Asworth, vice-chancellor of Salford University, pointed out recently, the House of Commons has had noticeably little success in supervising the quangos' various doings or in calling Ministers to account for them. Nor can anyone sensibly expect quangos to disappear, he told the Royal Society of Arts in London. "The most determined attempts of the present Government have so far led to the abolition of less than a third of such bodies, and even the Conservative Ministers have created new ones."

Since the lack of control therefore seems sure to remain a problem, Professor Asworth said, Britain might do well to look for a solution to "that sadly underused Parliamentary resource, the House of Lords." "It is rare to find in the Commons (and thus amongst Ministers) those who have a good first-hand knowledge of the managerial problems of large organisations. Life peers, by contrast, are drawn from such persons and it is just this experience and these skills which are needed for a body to supervise the administrative behaviour of quangos."

Anyone doubting the peers' track record in such matters should consider not only their historic role in supervising the

original quango—and the Law, but their modern task of keeping watch on Parliament's behalf over the administrative activity of the European Economic Commission.

Visits by teams of British peers had been observed to throw more of a scare into the EEC Eurocracy than any other kind of government delegation, and Dr Asworth thought he understood why. When he was called before a Lords select committee in his former capacity of chief scientist to the Think Tank, he had felt more nervous than at any time since he was orally examined for his doctorate degree.

I hope the Government will give his idea a try. In terms of the public interest, Barons versus Bureaucrats promises to be a more productive game than Space Invaders any day.

## Financially led

A PECULIAR trait which distinguishes the publicly funded from the commercial kind of bureaucracy is the former's typical reaction when it sees unmistakable signs that one of its operations is going wrong. The root of the problem, of course, is almost always some deficiency in an active function of management such as distribution. But the fact that the trouble is revealed by figures in the accounts tends to lead the official mind to the conclusion that it is an accountancy

problem, and so to call in accountants to solve it.

As a result professional accountancy practices are regularly blessed by the public sector with what are essentially management consultancy assignments, which firms whose main specialisation is auditing are not always equipped to undertake. But not wishing to seem ungrateful, even the professional practices lacking a management consultancy division of their own rarely reject the invitation. They prefer to take on such so-called financially led jobs in association with a management consultancy which has the necessary extra skills.

Hence the development of a joint interest between Inbacon and the chartered accountants Edward Moore Inbacon which year linked with the U.S.-based Fox concern to form an international accountancy group with 725 partners in 210 offices throughout the world.

This international extension is seen as a good opportunity to build up the joint activity with the Inbacon group, which was put on a formal footing by the establishment last year of the Edward Moore Inbacon company in which the accountancy partner holds 51 per cent.

So through headhunter Reginald Welsh, who will give confidential treatment to any applicant who does not wish to be identified for the time being,

the joint company is seeking a managing director designate. The idea is that the newcomer will develop the business by winning an enlarged share of the market for financially led consultancy work, probably with the main although by no means the whole emphasis on public-sector organisations.

Starting with no more than a secretary in full-time support, the recruit will be expected to build on the joint venture's present and past assignments and connections with the aim of ensuring that wherever a financially led assignment arises, Edward Moore Inbacon is asked to quote for it.

The prime need is knowledge of the managerial mysteries of public-sector bureaucracies, preferably in several countries, gained either as an insider or as a working consultant. But the better a candidate also understands the private-enterprise market for financially led consultancy, the more pleased Mr Welsh will be. Another requirement is a recognised qualification, with chartered accountancy perhaps inevitably being accorded the most brownie points.

No salary is quoted, but my estimate is at least £25,000 plus bonus on results. Perks include a car. Inquiries to Reginald Welsh and Partners, 123-4 Newgate Street, London EC1A 7AA; telephone 01-600 8387.

## MANAGING DIRECTOR

## COMPUTER SERVICES

C. J. Coleman Holdings Limited wishes to recruit a Managing Director for its computer services subsidiary located in Croydon, Surrey.

The Company provides batch and on-line facilities to clients on a fixed cost basis under the registered name "Timesat" and in addition provides one of the most efficient and reliable data preparation services in the South East. It has been in existence for just over two years and now requires a Managing Director to develop the Company and fulfil its aim of becoming a leader in providing computer services to the financial sector. The position offered is intended to be a challenge and the successful applicant will have considerable knowledge and experience in the computer services industry in addition to management ability.

Applications with a personal CV should be made to:

Mrs K. Reeve  
C. J. COLEMAN HOLDINGS LIMITED  
Partokan House  
155 Minories  
London EC3N 1BT

All information will be treated as strictly confidential

## STOCKBROKERS

Well capitalised medium sized established London member firm would be interested in offering positions to members with established business. Either individuals or teams would be welcome, attractive terms to suitable people. All discussions would be treated in the strictest confidence.

Please reply to Box A7879

Financial Times, 10 Cannon Street, London EC4A 4BY

## Oil Futures Executive

## City

Our client is a leading international oil futures broker, supported by one of the world's major commodity trading houses.

The company is seeking a senior executive to play a key role in developing and promoting its activities in the London and North American oil futures markets. Responsibility will be to the Managing Director, but the position retains a high level of autonomy.

The candidate will have experience of petroleum economics, operations and supply, and ideally marketing. Contacts with the international oil industry and



Arthur Young McClelland Moores & Co.

A MEMBER OF AMSA IN EUROPE AND ARTHUR YOUNG INTERNATIONAL

major oil consumers are also desirable. Evidence will be required of creativity and initiative.

A highly attractive remuneration package will be offered.

Please reply in confidence giving concise career and personal details and quoting Ref. ER543/FT to J.J. Cutmore, Executive Selection.

Arthur Young McClelland Moores & Co.,  
Management Consultants,  
Rolls House, 7 Rolls Buildings,  
Fetter Lane, London EC4A 1NH.

## CJA

## RECRUITMENT CONSULTANTS

35 New Broad Street, London EC2M 1NH  
Tel: 01-588 3588 or 01-588 3576  
Telex No. 887374

An important appointment with scope to achieve a position of influence—opportunity to become a Director of the Management Company in 3-5 years



LONDON

## INVESTMENT ANALYST

£16,000—£25,000 + Car

## INVESTMENT TRUST GROUP

We invite applications from candidates aged 24-35, who have acquired a minimum of 4 years practical experience in investment analysis gained either in a Merchant Bank, stockbrokers or investment advisors. The successful candidate will be engaged in the identification and analysis of investment opportunities with a particular emphasis on special situations both in the UK and overseas. The ability to operate accurately under pressure, and to make a significant contribution through using financial fair in investigating entrepreneurial situations is important. Initial remuneration negotiable £16,000-£25,000 plus car, non-contributory pension, free life assurance, free family B.U.F.A., assistance with removal expenses if necessary. Applications in strict confidence under reference IA 4103/FT, to the Managing Director.

CAMPBELL-JOHNSON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED  
35 NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE: 01-588 3588 or 01-588 3576. TELEX: 887374

\* Unless you are applying for the above position, please do not write to us.

## Assistant Taxation Manager

£11,840-£14,800\*

The Post Office is seeking an Assistant Taxation Manager to join its Postal Finance Department based in Chesterfield, Derbyshire. The post, which is open to both men and women, calls for a high standard of professional expertise and judgement.

The successful candidate, who will report to the Taxation Manager, will be part of a small team responsible for, inter alia:-

- annual tax computations
- VAT returns
- interpretation of case law and legislation
- schedule E.

## Qualifications

Candidates must possess the expertise and the personal qualities necessary to advise general and financial managers on a wide range of taxation problems. They will have a detailed and up-to-date knowledge of taxation legislation and be able to demonstrate the ability to negotiate with various UK tax authorities. The successful applicant will have had several years experience in the practical application of taxation law to corporate businesses. Some travelling will be involved to other parts of the UK and abroad.

The starting salary will be within the range quoted. There is an excellent leave allowance and contributory pension scheme.

Application forms can be obtained from Mrs. J. Sutton, PP7.2, Room 329, Post Office Headquarters, St. Martins-Le-Grand, LONDON EC1A 1HQ (tel: 01-432 4683).

The closing date for applications is 9 July 1982.

\*New salary scales, with effect from 1 April 1982, are currently being negotiated.

The Post Office

## COMPANY SECRETARY/LAWYER

Yorkshire Television Limited wish to recruit an energetic solicitor or barrister as Company Secretary designate to take over from the present

Company Secretary when he retires in December 1982. The position carries full responsibility for the company's legal and company secretarial affairs.

Our business as a major television contractor offers an unusual opportunity for a lawyer aged over 30 with wide general commercial experience. Personal qualities and management skills of a high order will be required, as well as demonstrable experience in handling the legal affairs of a substantial and lively business.

Experience of pension fund and insurance administration would be an advantage. The post will be located in Leeds and will be fully pensionable.

Applicants, male or female, should send personal particulars and curriculum vitae to: The Commercial Director, Yorkshire Television Limited, The Television Centre, LEEDS LS3 1JS

## YORKSHIRE TELEVISION

## LIFE

The London International Financial Futures Exchange Co. Ltd. (LIFFE), will be commencing trading activities in September 1982 and are currently seeking to fill some unique positions within the UK's financial industry. Charterhouse Appointments has been retained exclusively to handle this assignment.

## PIT OBSERVERS

A challenging opportunity on London's new Exchange

The Pit Observer will head a small but highly trained observation team, will be aged between 21 and 35, and will demonstrate a flair for handling people engaged in high speed financial dealings. He/she will have the ability to identify potential problem areas at an early stage and act accordingly. A basic knowledge of either Banking, Commodity Trading or Stock Exchange Dealing, or FR experience, is preferred. The work demands more of the individual's personality than academic ability. £7,500-£10,000 basic + benefits.

The Exchange is also seeking to employ experienced Computer Terminal Operators, to act as Exchange Reporters. Salaries for these positions will range from £6-7,000 basic + benefits.

Please telephone Robert Kimbrell or Eric Goldwell, in complete confidence, to discuss these rewarding positions.

CHARTERHOUSE APPOINTMENTS 01-481 3188  
Europe House, World Trade Centre, London E1

## COMPANY SECRETARY (DESIGNATE)

c. £12,500 + Bonus + Car

Crystalate Holdings plc is a listed company with a large number of shareholders, and the holding company for several subsidiaries operating in the telecommunications and allied electronics industries.

The present Group Secretary is due to retire in less than 3 years and we now seek a qualified secretary to be based at the Head Office in Tunbridge Wells who will then succeed him.

In addition to the necessary formal qualifications and experience of routine statutory affairs the person appointed will have

worked in a manufacturing organisation and will have had specific experience of pension scheme administration.

In addition to a salary negotiable around £12,500 the benefits package will include a discretionary bonus, company car and other benefits to be expected of a progressive employer.

Applicants are asked to write, with full details of career to date, to:

Alex King, Group Personnel and Administration Manager, Crystalate Holdings plc, Union House, Eridge Road, Tunbridge Wells, Kent, TN4 8HE

Phillips & Drew  
Private Client Manager

We have a vacancy for a person, probably aged 25-35, to manage private client portfolios. Applicants should have at least five years' experience of fund management and of servicing a wide range of private clients. The ability to develop new business is important. Remuneration will not be a problem for the successful candidate.

Please apply to:

Caroline Barrett, Phillips & Drew,  
Lee House, London Wall, London EC2Y 5AP

## COMMODITY MANAGEMENT

Young experienced commodity dealer or foreign exchange broker or banker required to head new commodity trading company based in Winchester. Substantial opportunities for promotion within group. Write in first instance with full background and experience to Box A7878, Financial Times, 10, Cannon Street, London, EC4A 4BY.

## ACKWORTH SCHOOL

Ackworth, Pontefract, West Yorkshire WF7 7LT

## ASSISTANT BURSAR

Required for this co-educational boarding school. Experience of accountancy is needed though a qualified accountant is not essential. The ability to work with people and be able to deal effectively with the administrative aspects of a community life is essential. For form of application and further particulars apply to the Bursar.

## Taxation Specialist

### Merchant Banking

**J. Henry Schroder Wagg & Co. Limited**

requires an additional member for its small but active taxation department.

The successful applicant will be part of a team which advises on the varied tax problems arising from the full range of merchant banking activities. Duties will also include the computation of tax provisions and the agreement of tax liabilities with the Inland Revenue for a number of financial concerns within the Schroder Group of companies.

The principal qualification required is sound knowledge and practical experience in the field of corporate taxation. Conditions and terms of employment are excellent. Applications, in strictest confidence, giving details of career and present employment should be made in writing to:

*Mr. John R. Lambert,*  
Head of Staff and Administration,  
**J. HENRY SCHRODER WAGG & CO. LIMITED,**  
120 Cheapside, London EC2V 6DS.

**SCHRODERS**

## EXPORT FINANCE

City c. £20,000 +

**Major International Bank**

Our Client is a substantial international bank with a strong customer base in the UK and Europe.

Current development plans call for the recruitment of a trade finance specialist with experience in all facets of export finance including E.C.G.D. to work closely with the bank's corporate marketing team.

Ideal candidates, probably in their late 20's or early 30's, must possess several years' experience of international banking or finance; personal qualities of self-motivation and maturity are considered equally essential.

A highly attractive salary and traditional banking benefits will accompany this new managerial appointment which will also allow for personal development within the bank.

Contact Norman Philpot in confidence  
on 01-248 3812

## NPA Recruitment Services Ltd

60 Cheapside, London EC2 Telephone 01 248 38123,4,5

## P.E.R.A. Director, Industrial Services

This major Division of the Production Engineering Research Association provides a wide range of consultancy and industrial and technical services to companies in the private and public sectors. The Division, a principal fee earner of the Association, is of prime significance to its commercial success.

- A SUCCESSOR is required to the present Director, who retires next spring. Responsibility is to the Director-General for the overall profitable management and control of the Division through four main operating departments and over 100 staff.
- ESSENTIAL requirements are proven managerial and administrative ability coupled with commercial acumen and backed by an honours degree or equivalent professional qualification.
- AGE preferably not over fifty. Remuneration for discussion around £20,000 plus car.

Write in complete confidence  
to G. W. Elms as adviser to the Association.

## TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS  
10, HALLAM STREET LONDON W1N 6DQ

## CORPORATE FINANCE

c. £12,500 + benefits

A noted Accepting House is expanding its Corporate Finance Division and seeks two additional executives to direct growth in this area. The nature of the work will be almost entirely non-routine and relate principally to mergers and acquisitions, therefore enabling a high degree of client contact.

Candidates, in the age range 24-28 will hold either the ACA or a legal qualification, and have trained in a large, sophisticated environment. Experience of relevant investigations or other specialist exposure is seen as particularly important.

Interested applicants should phone either Roger Tipple or Nicholas Waterworth on 01-242 0965 or write to them at 31 Southampton Row, London W.C1.

## INVESTIGATIONS SPECIALIST

c. £20,000 + benefits

A major finance group is actively pursuing a programme of expansion by acquisition. As a result they seek an additional specialist to assist in the analysis, strategic planning and investment review leading to the implementation of further corporate growth.

This interesting position will therefore appeal to candidates either currently at manager level within an investigations department of a major professional practice or with 2-3 years experience of corporate finance within a financial institution.

BRIGHTON POLYTECHNIC  
DEPARTMENT OF FINANCE  
AND ACCOUNTANCY

### LECTURER II/SENIOR LECTURER IN ACCOUNTING & FINANCE

To lecture on the BA (Hons) in Accounting and Finance, and other courses provided by the Department of Finance and Accountancy. Applicants should have a relevant degree, preferably a professional qualification, and practical experience at an appropriate level. An interest in Financial Management and Investment would be an advantage. Recent experience in the use of computers, and some teaching or training experience (not necessarily full-time) would be helpful. Research and consultancy are encouraged.

Salary:  
Lecturer II—£6,462-£10,431  
Senior Lecturer—£9,624-£12,141.

Further details and an application form may be obtained from the Deputy Head of Personnel, Brighton Polytechnic, Moulsecoomb, Brighton BN2 4AT. Tel. Brighton 634655, Ext. 2537. Closing date: two weeks after publication.

## Michael Page Partnership

Recruitment Consultants  
London Birmingham Manchester

## Hoggett Bowers

Executive Selection Consultants  
BIRMINGHAM CARDIFF GLASGOW LEEDS LONDON MANCHESTER NEWCASTLE and SHEFFIELD

## Commercial Manager

Middlesex/Bucks. borders, c. £15,000 + car

This is a key position with a major manufacturing company who export to most countries in the world. Reporting to the Financial Director the areas of responsibility will cover all aspects of ECGD work, appraisal and administration of contract conditions, including financial terms, foreign currency management, order book administration and involvement in its interpretation into an activity plan. Applicants must have practical experience in all these areas, will probably be in their mid to late 30's with a financial or legal background and qualifications. They must have the strength of personality to handle sensitive situations and must be capable of taking decisions.

J.R. Featherstone, Ref. 12244/FT. Male or female candidates should telephone in confidence for a Personal History Form 0532-448661, Minerva House, East Parade, LEEDS, LS1 5RX.

## Actuarial Appointments

### Crown Life Assurance Group

Crown Life has a record of very rapid growth within the United Kingdom since the establishment of autonomous companies in this country in 1978.

Our product range is wide, including unit-linked individual life and pension products and a range of group pensions and other employee benefit services. We have an expanding, successful direct sales force and market effectively through professional insurance brokers.

We are planning continued rapid expansion through these and other areas of the financial services market, not only in the United Kingdom but into other European countries within the next few years. This expansion creates a number of opportunities for qualified actuaries who will welcome the challenge of our ambitious plans, and who wish to develop a career with us.

Opportunities therefore exist for actuaries and actuarial students to deal with all aspects of financial planning and control and the corporate actuarial work of the company. This relates to both individual life and group pension business.

Applications are invited from those actuaries who have completed the examinations within the last three years, and students who can show that they are making, and expect to continue to make, progress through the Institute examinations.

A substantial remuneration package is offered including a subsidised mortgage scheme. Please write in confidence with career details or telephone for an application form to:  
M. Christophers FIA, Director of Finance, Crown Life Assurance Group, Crown Life House, Woking, Surrey GU21 1XW. Tel: Woking (04862) 5033.



A MEMBER OF THE BRITISH INSURANCE ASSOCIATION

## Assistant to Finance Manager LONDON

This demanding and exposed position within the Sugar Division of Booker Agriculture International would suit a young qualified accountant with ambitions to work in an international business environment and subsequently to take up expatriate employment.

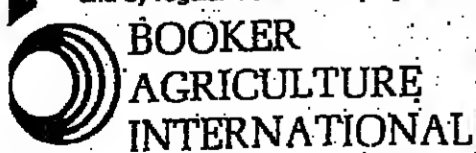
Based in London but spending around three months per year on overseas assignments in the developing world, the successful candidate will support and often represent the Finance Manager. He/she will be responsible for monitoring and appraising all finance, accounting and stores matters of these clients whose operations, principally sugar estates, are managed by Booker Agriculture International.

This will be achieved both by the review of budgets, accounts and reports in London and by regular visits to the projects overseas.

Other tasks include the preparation of investigative reports on potential clients, financial analyses for feasibility studies, and the raising of finance needed to implement proposals contained in these studies. Aged 26+ and qualified, the successful candidate will have several years' relevant industrial experience, not necessarily overseas; a lively mind and a self-impelled determination to achieve results. He/she will be capable of progressing to a senior finance position overseas within several years and possibly longer-term, into general management.

We offer a competitive salary and benefits package including overseas travel allowances.

Please write with brief personal details to:  
Peter Evans, Recruitment Manager,  
Booker Agriculture International Ltd.,  
Bloomsbury House,  
77 Great Russell Street,  
London WC1B 3DB.



## TOP PERSON OPPORTUNITY

If you are or have recently been a Director or Senior Executive with a proven history of success in your own field, we believe this success can be of advantage to you in this the Tyndall Organisation. See our advertisement in today's paper. If you would like to find out how we can help you towards a new career opportunity telephone:

London — 01-828 4377  
Bristol — (0272) 277616  
Manchester — (061) 928 8212

## Public Relations ACCOUNT DIRECTOR

A new and expanding public relations and advertising agency requires an Account Director with experience in the field of financial public relations. Salary and benefits negotiable.

Please apply in writing enclosing a c.v. to:  
Michael Forsyth Associates Ltd.  
3-4 St Andrews Hill  
London EC4V 5BY.

## Credit Analyst

Standard Chartered Merchant Bank Limited, a wholly-owned subsidiary of Standard Chartered Bank PLC, Britain's biggest independent international Bank, has a vacancy for a Credit Analyst who will be required to evaluate and advise on new facilities, review existing commitments and undertake related research.

Candidates, preferably graduates who have enjoyed formal training in credit analysis techniques in a major international bank and who have had subsequent experience, will be required to work on their own initiative and to present clear verbal and written reports to senior management.

An attractive salary, substantial fringe benefits and good career prospects are offered.

Written applications with a full curriculum vitae should be sent in confidence to:-  
The Personnel Manager,  
Standard Chartered Merchant Bank Limited,  
33-35 Gracechurch Street,  
London EC3V 0AX.

Standard Chartered Merchant Bank Limited

## INTERBANK EUROCURRENCY DEPOSIT LINK PERSON

### CHARLES FULTON (LUXEMBOURG) S.A.

are looking for a capable person, preferred age 20-25, to work in their Luxembourg office. Ideally, he/she will have had money broking and/or linking experience. A working knowledge of French/German would also be an advantage.

The successful applicant will initially be employed for a 6 month trial period. Relocation assistance will be given where required.



Please apply in writing to:  
Mr T. A. Jones, Personnel Manager,  
Charles Fulton (Brokers) Ltd,  
30-40 Ludgate Hill,  
London EC4M 7JT

## INVESTMENT FUND MANAGER c. £12,000

A leading Merchant Bank is seeking an experienced investment manager to join its expanding Pension Fund department. The successful candidate will be a graduate, aged between 26/32 with at least two years experience of fund management.

The usual banking fringe benefits will apply.

Please contact: Peter Latham

## CREDIT/LOANS REVIEW c. £11,000

Experience for this interesting job should essentially be a combination of loans administration and credit analysis. Responsibilities will be to control and monitor the progress of all new and existing loans, conduct annual reviews, and deal with other banks and solicitors. Age 26-36.

Please contact: David Little

## CORPORATE FINANCE EXECUTIVE

Our client, a leading Accepting House, wishes to recruit an additional executive. Applicants should be aged between 26/30, have a good degree and hold a professional qualification (Chartered Accountant or Lawyer). Some experience of corporate finance work would be an advantage.

An attractive remuneration package will be offered.

Please contact: Peter Latham

**Jonathan Wren** BANK RECRUITMENT CONSULTANTS  
170 Bishopsgate - London EC2M 4LX - 01 623 1266

## New Business Executives Industrial Hire Purchase Limited

Grindlays Bank p.l.c. will shortly, through its asset-based finance subsidiary, be expanding its hire purchase finance activities in both the South and North West of England and will require additional New Business Managers to operate out of their London and Manchester offices.

The company provides financing mainly for capital intensive projects such as plant and machinery, commercial vehicles and car fleets and the Executives will have profit-centre responsibilities for the establishment and development of non-consumer hire purchase business.

The applicants, aged 28 to 38, should therefore have a wide range of existing industrial contacts at senior level, be self-starters and have highly successful careers to date in a new business capacity with a national finance house.

A five-figure salary is offered, together with a company car, and other benefits including a subsidised mortgage scheme, membership of B.U.P.A. and a non-contributory pension scheme.

Please send details of age, education, past experience and present salary to Alan Marvin, Grindlays Bank p.l.c., 13 St. James's Square, London SW1.  
*This appointment is open to men and women.*

**Grindlays  
Bank  
p.l.c.**

### Bank Recruitment Specialists

**FUND MANAGER** c. £20,000  
Senior appointment with a leading international merchant bank requiring a proven experience in the management of Fixed Income portfolios (both domestic and international) and a high level of professional investment management skills.

**FX DEALER** c. £11,000  
Appointment with an active, expanding I.D.T. offering a scope for an experienced, versatile and ambitious FX Dealer aged in his or her mid 20s.

**CHARTERED ACCOUNTANT** to £11,000  
An ambitious Chartered Accountant aged up to 27 is sought by a leading international merchant bank to fill a high-profile role, initially in the field of Head Office reporting. Some banking experience is essential (this may have been gained on bank studies), as is fluency with computerised systems. Future prospects are particularly attractive.

Please telephone Ken Anderson or Leslie Squires, 01-248 7421 or 01-248 8876

Anderson, Squires, Bank Recruitment Specialists  
Regina House, 1-3 Queen Street, London EC4N 1FP

**LOANS OFFICER** to £12,000  
Professional merchant bank seeks an additional Executive to take responsibility for part of its loan portfolio, including applications. The ideal candidate would be a graduate aged 24-30 with a banking background to date including country and corporate risk analysis, loan pricing and documentation.

**LEGAL EXECUTIVE** to £15,000  
A progressive appointment, calling for experience in the preparation of loan and guarantee documentation (both syndicated and non-syndicated), gained with a firm of solicitors or a bank. Aged preferred: 26-32.

**GRADUATES** to £7,500  
A limited number of openings are available in the investment trading areas for high calibre graduates (21-24). Candidates should hold a good degree in a relevant discipline, and demonstrate exceptional personal qualities of ambition and tenacity.

**Anderson, Squires**

Scope to become director of this subsidiary Company in 12-18 months.

## MANAGER - INTERNATIONAL LEASING

**LONDON £13,000 - £20,000**  
MAJOR MERCHANT BANK

Applications are invited from candidates aged 25-30, with substantial equipment leasing experience, to join a specialist team in structuring, arranging and managing high value leases. Experience must include large ticket leases and preferably cross-border transactions. Initial salary negotiable £13,000-£20,000 plus pension, free life assurance, free family medical cover, subsidised mortgage. Applications under reference M/L 1418/FT should be accompanied by a detailed CV specifying experience and achievements. They will be forwarded unopened and in strict confidence to our Client, unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager.

CAMPBELL-JOHNSTON RECRUITMENT ADVERTISING LIMITED,  
35, NEW BROAD STREET, LONDON EC2M 1NH

\* Unless you are applying for the above position, please do not write to us.

## Senior Investment Analyst

to £17,000  
+ subsidised mortgage

United Friendly Insurance has a small, highly professional team managing rapidly growing funds which currently stand at £350 million. We are now seeking a Senior Analyst, probably in the 20s, who has appropriate qualifications, a sound knowledge of the UK stock market, and the ability to advise on portfolio strategy. Experience of institutional fund management is highly desirable. Further analytical staff are expected to be engaged in the near future and, as Senior Analyst, you will be expected to oversee more detailed analyses and, possibly, instruct trainee staff. Salary, negotiable in the range £15,000 to £17,000 according to age and experience, is supported by a range of benefits which includes subsidised mortgage facilities and private medical care.

Please send full career details to Sue Morris, Personnel Manager, United Friendly Insurance plc, 42 Southwark Bridge Road, London SE1 9HE.



## EQULEASE INTERNATIONAL CORPORATION

### EUROPEAN CONTRACTS ADMINISTRATOR

KNIGHTSBRIDGE BASED INTERNATIONAL LEASING COMPANY has a vacancy for a CONTRACTS ADMINISTRATOR to work in the EUROPEAN HEAD OFFICE.

The position will involve close liaison with the MARKETING, FINANCE AND LEGAL DEPARTMENTS of the company; preparation of management statistics, reports and reviews; world-wide client contact and general business support for the company.

CANDIDATES will ideally be aged between 22 and 30, preferably with a degree or similar qualification. Previous experience in a similar role would be an advantage.

Salary is negotiable but would be commensurate with experience.

Written applications with full CV should be addressed to MR PAUL JORDAN, DIRECTOR NORTHERN EUROPE, Equilease International Corporation, Bowater House East Wing, 68 Knightsbridge, London SW1X 7LR.

### STERLING MONEY MANAGER

required by well-established IDTI in the City to run and develop its expanding book. The successful candidate will enjoy the responsibility of running his/her own department and liaising with a small team. Salary negotiable, to match responsibility and experience.

Write Box A7882, Financial Times  
10 Cannon Street, London, EC4P 4BY.

## Investment Analysts

Stores, Chemicals

A major firm of London institutional stockbrokers is seeking to expand its research expertise.

In particular a senior analyst with an established record is sought for the consumer sector and also an analyst to join the chemicals/pharmaceuticals team. Applicants for the senior analyst position should be in their late 20's or early 30's with considerable experience either in stockbroking or with an investing institution.

Applicants for the chemicals analysts position could be slightly younger and with rather less experience.

High salaries plus bonus and normal benefits are offered.

Applications should be sent to:

Box A7876, Financial Times,  
10 Cannon Street, London EC4P 4BY.

## Investment Manager

We are a firm of specialist investment managers for pension funds, who aim to provide clients with a personal service and top quartile performance.

To consolidate our position, we seek a young ambitious graduate, under 30, with at least two years experience of equity markets, to whom the scope for initiative and responsibility appears.

If you would like to work in an organisation where the sole criteria is getting the investment problem right, in a small company atmosphere free of bureaucratic controls, this may be the opportunity you have been waiting for.

Salary and profit sharing bonus will reflect your abilities. Fringe benefits include a good pension scheme and BUPA.

Please reply in confidence with curriculum vitae to Norman Pilkington, Deputy Chairman.

GMP

**Geoffrey Morley & Partners Limited**

15 John Street, London WC1N 2EB

Telephone 01-405 4154

### J. M. FINN & CO.

Members of the Stock Exchange

#### INVESTMENT ANALYST

We wish to recruit an Investment Analyst to maintain and develop existing industrial contacts in conjunction with some of our research orientated partners. We are looking for an experienced person who is perhaps currently with a larger organisation where advancement and personal expression may be limited. We place great emphasis on the ability to look at situations in a commercial way and to express opinions consistently both within the firm and directly to its clients. Applicants should be looking to make a career where partnership is open to those with initiative and ability.

Write in strictest confidence to:

Geoffrey Yeatts  
J. M. Finn and Co  
Salisbury House  
London Wall  
London EC2M 5TA

### MERCHANT BANKING EXECUTIVES

FINANCIAL GROUP providing a comprehensive range of financial services is planning to increase the executive team in Corporate Lending and Corporate Advisory Services.

APPLICANTS should have relevant qualifications and experience and reside in the Manchester or Cheshire areas. Successful candidates will have a financial background, be able to communicate effectively, and be self-motivated within the context of the team.

REMUNERATION will be commensurate with experience. Applicants should give personal details and indicate career expectations and objectives.

To the first instance please write to:

COMPANY SECRETARY  
E. T. Trusi Limited, Bank House, Handforth, Cheshire, SK9 3HQ

## Customer Dealer-CITY

The London Branch of this major European Bank requires a Customer Dealer to join its Dealing Room team.

The ideal applicant will be between 25 and 30 years of age and have sound experience of Foreign Exchange, Deposit and Customer Dealing.

In addition to an excellent starting salary, which is negotiable, first class fringe benefits are available as one would expect from a leading European Bank.

Applications (in strict confidence) may be made by telephoning Mr. Suer or Mr. Todd on 01-838 2700, or write to: Mr. J. S. Parker, Personnel Officer, Amsterdam-Rotterdam Bank N.V., 101 Moorgate, London EC2M 6SB.

**amro bank**

### TRADITION (FOREXIN) LTD.

Due to our current expansion we are seeking senior and experienced Brokers in the Sterling, Swiss Franc and Deutsche Mark Spot and Forward Markets.

Applications should be made either in writing to:

TRADITION (FOREXIN) LTD  
Staple Hall, Stonehouse Court, 89/90 Houndsditch EC3 7AX  
or by telephone: 01-283 7971

### ANALYST

#### ELECTRONICS/DEFENCE

Stockbroking firm with existing business in this area wants to appoint an Analyst to generate and communicate ideas. The ideal candidate has an MBA, Accountancy, or similar qualifications, and two or more years experience.

Please write Box A7883, Financial Times  
10 Cannon Street, London, EC4P 4BY

### NEW APPOINTMENTS

£15,000 - £20,000 p.a.

Copyright is the leading specialist in equities securities (to find their best job). Only Copyright offers a unique related to the situation. Contact for a confidential assessment meeting.

Copyright  
Executive Management  
Services Ltd.  
23 Grosvenor Street, London W1 02G 5SR

### FINANCIAL FUTURES

Account Executive  
c. £25,000 + bonus + car + benefits

London-based Brokerage/LIFE Member with substantial business from Money and Stock Markets, currently seeks an experienced Dealer to act as Account Executive in Financial Futures. The appointee will have substantial knowledge of one of the following areas: Foreign Exchange Trading; U.S. Bank FX Advice; Eurobond or CD Sales. He/she will be both a technician and a proficient marketer and will perform a Brokerage Service to institutional clients on the London, Chicago and Far East Financial Futures Markets.

#### Liffe Pit Broker

c. £16,000 + bonus + car + benefits

Money Broking House/LIFE Member requires an experienced Soft Commodity or LME Floor Trader to Pit Broker on the forthcoming London International Financial Futures Exchange. Applicants should express a willingness to grasp the complexities of the Cash Markets.

#### Operations Executive

c. £14,000 + benefits

America Futures Brokers, with strong institutional client base, seeks an Operations Executive for their London office. Applicants should be experienced in LCH clearing procedures and in Margin Control.

In addition to the appointments, we have a variety of positions with major Brokerages, offering realistic career opportunities. All enquiries will be treated with discretion.

Please telephone Robert Kimbell, in complete confidence, to discuss these positions in more detail.



**CHARTERHOUSE  
APPOINTMENTS 01-481 3188**

Europe House, World Trade Centre, London E1

## CLOSE BROTHERS seek a LENDING BANKER

director material, with professional training and banking experience, to augment their small and successful team. The likely candidate, aged late 20's/30's, will be a self-starter, retain front-line client contact, and can expect to be properly paid.

Please write to Mr. R. D. Kent, Managing Director, Close Brothers Limited, 36 Great St. Helen's, London EC3 6AP.

### ENGINEERING ANALYST

LONDON

A leading firm of Stockbrokers wishes to appoint an additional Engineering Analyst within its Research Department. Applicants should have a minimum of two years research or fund management experience and possess the skills necessary to communicate effectively with industry and major investment institutions. Preferred age range 25-30 years. The remuneration offered will reflect the qualifications and experience of the successful applicant.

Please write Box A7884, Financial Times  
10 Cannon Street, London EC4P 4BY

## Real Career Management Assures Real Success, Satisfaction and Reward

Executives/Professionals can realise career objectives secure relevant jobs, reduce real risks, attract high pay. To discuss how, phone Peter Gardner Hill on 01-486 4077

GHN  
Gardner Hill Neillham Executive Counsel Ltd.  
Doyles Court, Warwickville Place, London W1  
\* See Card Details.

## WE PRODUCE FILM, VIDEO, AUDIO VISUAL PRESENTATIONS, GRAPHIC DESIGN AND WE NEED A GENERAL MANAGER

For a well-established company with multinational clients. The successful candidate will manage all aspects of the Company's activities, including production, accounting and administration. Sound financial and business experience is a necessity, whilst an interest in the marketing field is a plus. No direct experience in Audio-Visual is necessary. Salary negotiable around £14,000 + car-share options available, dependent on experience and aptitude.

Write enclosing a CV to:  
Box A7874, Financial Times, 10 Cannon Street, London EC4P 4BY  
or telephone: 01-283 9522

### STOCKBROKERS

A financially strong and progressive medium sized firm of London Stockbrokers with substantial City City activities, including accountants, accountancy and administration. Sound financial and business experience is a necessity, whilst an interest in the marketing field is a plus. No direct experience in Audio-Visual is necessary. Salary negotiable around £14,000 + car-share options available, dependent on experience and aptitude.

Write in strictest confidence to:  
Box A7880, Financial Times, 10 Cannon Street, London, EC4P 4BY

## Venture Fund Manager

Salary in range £12,000pa to £13,000pa

### Welsh Development Agency

The Welsh Development Agency through its Industry and Investment Division is responsible for investing funds in businesses in Wales, by way of equity or loans. A new company has been formed to invest risk capital in companies with growth potential. It is envisaged that many of these companies will be in high technology.

Reporting to the Investment Director the Venture Fund Manager will carry out investigation, analysis and development of funding packages. The work will include seeking out companies or projects and carrying out the necessary background investigations into product viability.

It is envisaged that the successful applicant will have had experience of management of medium sized companies with good growth records, an understanding of current developments in areas of high technology and possibly, but not necessarily, a qualification in Accountancy.

A car allowance is paid and the post carries six weeks leave per year.

Generous assistance will be given with relocation expenses.

Application forms to be returned by 12.00 noon 18 June 1982 are obtainable from: Personnel Department, Welsh Development Agency, Treforest Industrial Estate, Pontypridd, Mid Glamorgan CF37 5UT. Telephone: Treforest (044 385) 3571.

## INSTITUTIONAL SALESMAN

for Stockbrokers

A vacancy has occurred in our London Office for an Institutional Salesman (M/F) to join an established and successful organisation. Research back-up provided, but applicants should ideally have previous professional experience in institutional selling or fundamental analysis. Salary negotiable according to experience.

Apply in writing with full details to:  
Dario Homes  
SMITH KEEN CUTLER  
52 Cornhill, EC3

**SKC**  
SMITH KEEN CUTLER

## TRUST MANAGER REQUIRED for HOLBORN SOLICITORS

Holborn Solicitors seek competent Executive to handle day to day administration of substantial Trusts principally holding portfolios of quoted investments. Ideal candidate will have experience with stockbrokers, accountants or bankers. Previous legal experience not essential. This is a newly created position with successful applicant being directly responsible to a Partner. Commensurate salary and benefits.

Apply with full curriculum vitae to:  
The Partnership Secretary  
REYNOLDS PORTER CHAMBERLAIN  
Clubhouse House  
278/282 High Holborn  
London WC1V 7HA





WORLD STOCK MARKETS

Early Wall St decline of 5.8

NEW YORK

Table of New York stock market activity, including stock names and prices for June 9 and 10.

Table of stock prices for various companies, including columns for stock name, price on June 9, and price on June 10.

Table of stock prices for various companies, including columns for stock name, price on June 9, and price on June 10.

Table of stock prices for various companies, including columns for stock name, price on June 9, and price on June 10.

Table of stock prices for various companies, including columns for stock name, price on June 9, and price on June 10.

Table of stock prices for various companies, including columns for stock name, price on June 9, and price on June 10.

Table of stock prices for various companies, including columns for stock name, price on June 9, and price on June 10.

Table of stock prices for various companies, including columns for stock name, price on June 9, and price on June 10.

AS INVESTORS became increasingly gloomy about the outlook for U.S. interest rates and the Federal Budget...

Germany Shares retreated over a wide front, although little selling pressure developed...

Canada Markets continued widespread falls in light early dealings, with the Toronto Composite Index dipping 14.9 to 1,440.2 at midday...

Tokyo An early rally failed to hold and the market slipped back to finish mixed to easier after a moderate recovery...

Paris French stock prices were mixed at the end of a calm session as operators stood on the sidelines...

Australia Markets continued to show an easier tendency in generally slack trading, with the Oil and Gas sector recording a fairly broad decline...

Hong Kong After Tuesday's modest recovery on light bargain hunting, shares opened steadily but later resumed their recent downtrend in quiet trading...

Johannesburg Gold shares were mixed easier after quiet trading, reflecting the Bullion price reaction to below \$30 per ounce...

NEW YORK

Table of Dow Jones indices for June 9 and 10, including Industrial, Composite, and Utility indices.

Table of indices for various countries, including Australia, Austria, Belgium, Denmark, France, Germany, Holland, Hong Kong, Japan, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, and Taiwan.

Table of indices for various countries, including Belgium, Denmark, France, Germany, Holland, Hong Kong, Japan, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, and Taiwan.

Table of indices for various countries, including Belgium, Denmark, France, Germany, Holland, Hong Kong, Japan, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, and Taiwan.

Table of indices for various countries, including Belgium, Denmark, France, Germany, Holland, Hong Kong, Japan, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, and Taiwan.

Table of indices for various countries, including Belgium, Denmark, France, Germany, Holland, Hong Kong, Japan, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, and Taiwan.

Table of indices for various countries, including Belgium, Denmark, France, Germany, Holland, Hong Kong, Japan, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, and Taiwan.

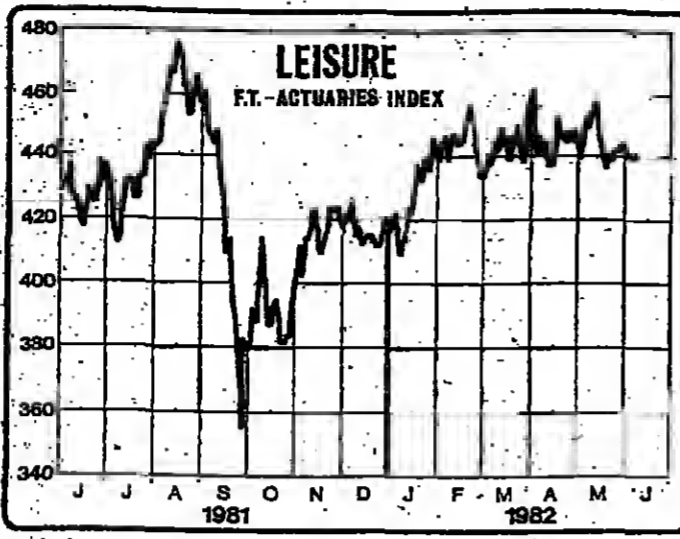
STOCKS Closing on Tuesday: United Technol., 2,100.00; IBM, 2,004.00; Mass. Pipe, 203.00; Schlumberger, 306.00; Ciba, 781.00.

Companies and Markets

LONDON STOCK EXCHANGE

Leading shares fall back and business suffers on lack of incentive after base rate cuts—Gilts also lower

Account-Dealing Dates... First Declared Last Account Dealings... Tuesday's move by the UK clearing banks in reducing base lending rates...



laneous industrial, falling 15 to 23p on nervous offerings ahead of tomorrow's annual figures... In contrast, encountered occasional support and improved 6 to 21p.

FINANCIAL TIMES STOCK INDICES table with columns for Government Secs, Fixed Interest, Industrial Ord., etc., and rows for June 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1982.

Stewart Nairn, the former textile concern revamped as a property company... Electrical leaders turned quietly dull as buyers withdrew and sporadic profit-taking took its toll.

Still unsettled by reports of falling holiday bookings, Horizon Travel shed 5 more to 200p and Saga 4 1/2p... Other mining issues retreated across a broad front with Golds drifting lower following the \$2 fall in the bullion price.

RECENT ISSUES

Table of recent issues with columns for Issue No., Issue Price, Issue Date, and Issue Name.

FIXED INTEREST STOCKS

Table of fixed interest stocks with columns for Issue No., Issue Price, Issue Date, and Issue Name.

"RIGHTS" OFFERS

Table of rights offers with columns for Issue No., Issue Price, Issue Date, and Issue Name.

Renunciation data usually last day for dealing free of stamp duty... Based on prospectus estimates.

ACTIVE STOCKS

Table of active stocks with columns for Stock Name, Closing Price, and Day's Change.

TUESDAY'S ACTIVE STOCKS

Table of Tuesday's active stocks with columns for Stock Name, Closing Price, and Day's Change.

FT-ACTUARIES SHARE INDICES

Table of FT-Actuaries Share Indices with columns for Equity Groups & Sub-sections, Index No., and Index Value.

NEW HIGHS AND LOWS FOR 1982

Table of new highs and lows for 1982 with columns for Company Name, Index No., and Index Value.

Allied Irish Banks Limited advertisement: Allied Irish Banks Ltd. announce that with effect from close of business on 9th June 1982 their Base Rate is reduced from 13% to 12 1/2%.

Bank of Ireland advertisement: Bank of Ireland announces that with effect from close of business on the 10th June, 1982 its Base Rate for Lending is reduced from 13% to 12 1/2% per annum.

Bank of Baroda advertisement: Base Rate Change BANK OF BARODA. Bank of Baroda announce that, for balances in their books on and after 10th June, 1982 and until further notice their Base Rate for lending is 12 1/2% per annum.

Standard Chartered Bank PLC advertisement: Standard Chartered announces that on and after 9th June, 1982 its Base Rate for lending is being decreased from 13% to 12 1/2% p.a.

Table of Average Gross Redemption Yields with columns for Maturity, Yield, and Index.

Table of Rises and Falls Yesterday with columns for Category, Rise, and Fall.

Table of Rises and Falls Yesterday with columns for Category, Rise, and Fall.

CURRENCIES and MONEY

Dollar firmer

The dollar continued to improve in currency markets yesterday as Middle East tension increased and Euro-dollar rates showed a firmer trend. Sterling eased against the dollar, but improved in terms of major European currencies to finish unchanged on balance.

The Belgian franc fell below the Italian lira to become the weakest member of the European Monetary System yesterday. This was despite continued intervention by several European central banks and was more a reflection of renewed weakness of the French franc rather than renewed pressure on the Belgian currency.

DOLLAR - Trade weighted index 117.0 against 116.7 on Tuesday and 106.5 six months ago. Three-month Treasury bills 12.15 per cent (10.23 per cent six months ago). Annual inflation 6.6 per cent (6.3 per cent previous month).

STERLING - Trade weighted index 90.9 unchanged from noon but down from 91.0 at the opening compared with 90.9 on Tuesday and 91.7 six months ago. Three-month interbank 12 1/4 per cent (14 1/4 per cent six months ago). Annual inflation 9.4 per cent (10.4 per cent previous month).

11.7800. It rose to DM 4.2850 from DM 4.2775 against the D-mark and SwFr 3.6525 from SwFr 3.6425. It was also higher against the French franc at FFf 11.17 from FFf 11.175.

Trade weighted index 123.9 against 123.7 on Tuesday and 123.3 six months ago. Three-month interbank 9.15 per cent (10.62 per cent six months ago). Annual inflation 5.3 per cent (5.0 per cent previous month).

Trade weighted index 116.7 on Tuesday and 106.5 six months ago. Three-month Treasury bills 12.15 per cent (10.23 per cent six months ago). Annual inflation 6.6 per cent (6.3 per cent previous month).

Trade weighted index 90.9 unchanged from noon but down from 91.0 at the opening compared with 90.9 on Tuesday and 91.7 six months ago. Three-month interbank 12 1/4 per cent (14 1/4 per cent six months ago).

THE POUND SPOT AND FORWARD

Table with columns: June 9, Day's spread, Close, One month, % Three months, % Six months. Lists various currencies like U.S., Canada, Netherlands, Belgium, Denmark, Ireland, West Germany, Portugal, Spain, Italy, Norway, France, Sweden, Japan, Austria, Switzerland.

THE DOLLAR SPOT AND FORWARD

Table with columns: June 9, Day's spread, Close, One month, % Three months, % Six months. Lists various currencies like U.K., Ireland, Canada, Belgium, Denmark, Portugal, Spain, Italy, Norway, France, Sweden, Austria, Switzerland.

CURRENCY MOVEMENTS

Table with columns: June 9, Bank of England, Morgan Stanley, June 9, Rate, Special Drawing Rights, European Currency Unit. Lists currencies like Sterling, U.S. dollar, Canadian dollar, Japanese yen, etc.

OTHER CURRENCIES

Table with columns: June 9, Note Rates. Lists currencies like Argentine peso, Australian dollar, Brazil cruzeiro, etc.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: ECU central rates, Currency against ECU, % change, % change adjusted for divergence, Divergence limit %. Lists currencies like Belgian franc, Danish krone, German mark, etc.

EXCHANGE CROSS RATES

Table with columns: June 8, Pound Sterling, U.S. Dollar, Deutsche Mark, French Franc, etc. Lists exchange rates between various currencies.

FT LONDON INTERBANK FIXING (11.00 a.m. JUNE 9)

Table with columns: 3 months U.S. dollars, 6 months U.S. dollars. Lists interbank fixing rates.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Table with columns: June 8, Sterling, U.S. Dollar, Canadian Dollar, Dutch Guilder, Swiss Franc, D-mark, French Franc, Italian Lira, Belgian Franc, Yen, Danish Krone. Lists interest rates for various currencies.

MONEY MARKETS

UK clearing bank base lending rate 12 1/2 per cent (since June 8). Short-term interest rates were slightly firmer in the London money market yesterday, with most interbank periods rising by about 1/8 per cent.

In the morning the Bank of England forecast a shortage of credit in the region of £100m, but this was revised to £200m at noon, and to £250m in the afternoon. Total help provided by the authorities was £200m, made up of £100m before lunch and £100m in the afternoon.

LONDON MONEY RATES

Table with columns: June 9, Overnight, 7 days, 14 days, 1 month, 3 months, 6 months, 12 months. Lists London money rates.

NEW YORK

Table with columns: Prime rate, Fed funds (lunch-time), Treasury bills (13-week), Treasury bills (28-week). Lists New York money rates.

GERMANY

Table with columns: Overnight rate, One month, Three months, Six months, Twelve months. Lists Germany money rates.

FRANCE

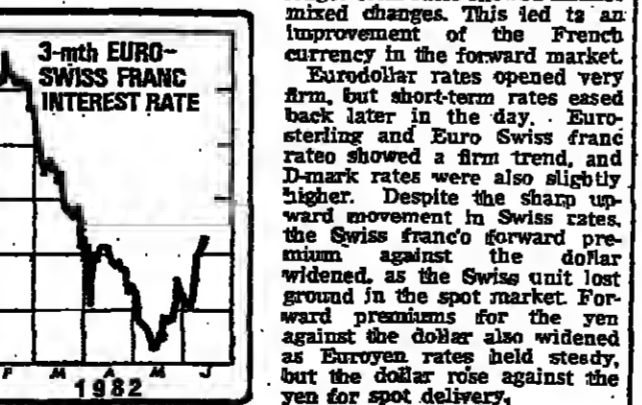
Table with columns: Intervention rate, Overnight rate, One month, Three months, Six months. Lists France money rates.

JAPAN

Table with columns: Discount rate, Call (unconditional), Call (conditional), Bill discount (three-month). Lists Japan money rates.

EUROCURRENCIES

French rates ease. Euro French franc interest rates declined yesterday, despite the weakness of the franc in spot foreign exchange trading. Seven day rates were around 35-50 per cent throughout, and finished at 37-39 per cent on Tuesday.



EURODOLLAR rates opened very firm, but short-term rates eased back later in the day. Eurosterling and Euro Swiss franc rates showed a firm trend, and D-mark rates were also slightly higher. Despite the sharp upward movement in Swiss rates, the Swiss franc's forward premium against the dollar widened as the Swiss unit lost ground in the spot market.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED TRUSTS

Large table listing various unit trusts and their managers, including Abbey Unit Trst, American Unit Trst, Crest Unit Trst, etc. Includes columns for trust names, managers, and other details.

Service

INSURANCES

Table listing various insurance companies and their details, including Abbey Life Assurance Co. Ltd., Commercial Union Group, and others.

INSURANCE & OVERSEAS MANAGED FUNDS

Main table listing insurance and overseas managed funds, including Life Assurance Co. of Pennsylvania, Norwich Union Assurance Group, and various international investment funds.

OFFSHORE AND OVERSEAS

Table listing offshore and overseas managed funds, including Overseas Investment Fund, Pacific Fund, and others.

NOTES: Prices are in pence unless otherwise indicated... Yield before Jersey tax...



INDUSTRIALS—Continued

Table of industrial stocks including companies like British Airways, British Petroleum, and various manufacturing firms with their respective share prices and market data.

LEISURE—Continued

Table of leisure-related stocks such as British Airways, British Petroleum, and various manufacturing firms with their respective share prices and market data.

PROPERTY—Continued

Table of property-related stocks including various real estate and construction companies with their respective share prices and market data.

INVESTMENT TRUSTS—Cont.

Table of investment trusts such as British Airways, British Petroleum, and various manufacturing firms with their respective share prices and market data.

OIL AND GAS—Continued

Table of oil and gas related stocks including various energy and resource companies with their respective share prices and market data.

SAITAMA BANK advertisement featuring the bank's logo and contact information for Tokyo, London, and other international branches.

MINES—Continued

Table of mining stocks categorized by region: Central African, Australian, and Tins, listing various companies and their share prices.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks, including sub-sections for Motors and Cycles, Commercial Vehicles, and Components.

SHIPPING

Table of shipping-related stocks including various maritime and logistics companies.

SHOES AND LEATHER

Table of shoes and leather-related stocks including various footwear and leather goods companies.

SOUTH AFRICANS

Table of South African stocks including various companies from that region.

TEXTILES

Table of textile-related stocks including various clothing and fabric companies.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing stocks including various media and communication companies.

PAPER, PRINTING ADVERTISING

Table of paper, printing, and advertising stocks including various media and communication companies.

TOBACCOS

Table of tobacco-related stocks including various tobacco companies.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land-related stocks including various financial and real estate companies.

OVERSEAS TRADERS

Table of overseas trader stocks including various international trade and commerce companies.

RUBBERS AND SISALS

Table of rubber and sisal stocks including various commodity and resource companies.

TEAS

Table of tea stocks including various commodity and resource companies.

MINES

Table of mining stocks categorized by region: Central Rand, Eastern Rand, and Far West Rand.

O.F.S.

Table of O.F.S. (Overseas Finance and Securities) stocks including various international financial companies.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks including various precious metal and resource companies.

Copper

Table of copper stocks including various commodity and resource companies.

Miscellaneous

Table of miscellaneous stocks including various companies from different sectors.

NOTES

Notes section providing detailed information and analysis regarding various stocks and market conditions.

REGIONAL AND IRISH STOCKS

Table of regional and Irish stocks including various companies from those areas.

OPTIONS

Table of options stocks including various financial and investment companies.

INSURANCE

Table of insurance-related stocks including various insurance and financial companies.

LEISURE

Table of leisure-related stocks including various recreation and entertainment companies.

bank leumi (uk) plc Whatever you want from a bank.

Cheverton Workboats

110000 20000 70000 100000 130000 160000

JUNTA HAS TROUBLE PAYING FOR ISRAEL AND ARAB AID

Libya sends Argentina arms

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

ARGENTINA is believed to have received up to 300 tons of military equipment from Libya in the past 10 days. This month about 10 Boeing 707s, each capable of carrying 30 tons of cargo, have flown from Tripoli, Libya or Benghazi to Buenos Aires...

Military experts say the cylinders could conceivably have been aircraft drop tanks, which worry British forces almost as much as missiles because one paid of tanks extends the Argentine planes' "loiter time" over the Falklands by up to 20 minutes. It was Israeli-made drop tanks that caused a stir in South Africa three weeks ago when one newspaper reported that they were being picked up from Cape Town airport packed in crates labelled "tractor parts".

Mitterrand to cut public spending

BY DAVID HOUSEGO IN PARIS

PRESIDENT François Mitterrand gave notice yesterday of a further squeeze of government expenditure in an effort to reduce the French budget deficit. Announcing the opening of a "second phase" of his administration, he gave no hint of where cuts might fall...

signing that France's role was to remain in it and to help improve it. Signs of a further squeeze of public expenditure came during Mitterrand's firm declaration that the budget deficit must be within the limit of 3 per cent of which he had set. "We must be strict and I expect it from the government," he said.

Reagan pledge pleases Germans

By Reginald Dale in Bonn

PRESIDENT REAGAN yesterday began his West German visit with a strong commitment to continued American defence of Western Europe. He made it clear that his Administration would firmly oppose any move in Washington to reduce the level of U.S. forces.

Hoare finds a rich friend

THE LEX COLUMN

Index fell 6.7 to 587.3

Central Government Borrowing Requirement. A line graph showing a downward trend from approximately 18 to 8 over a period of time.

Hoare Govett has moved with dazzling speed to take advantage of the Stock Exchange's ruling—made only last week—that increased the maximum outside shareholding in a member firm from 10 to 29.9 per cent.

Plessey may acquire Stromberg-Carlson

BY GUY DE JONQUERES

PLESSEY is considering acquiring Stromberg-Carlson, a medium-sized American telecommunications equipment manufacturer. In a deal which could lead to Britain's System X electronic telephone exchange being marketed in the U.S.

of sales to British Telecom, has performed strongly in recent months. It provided almost half the company's £111.4m pre-tax profit in its last financial year, ended April 2.

Bombing setback

Continued from Page 1

mobile Rapier anti-aircraft missile system. "Our air defences, which had come off the ships that morning, were still being set up on the hillside overlooking the estuary," he said.

Damascus

Continued from Page 1

of Beirut, has meant frequent electricity cuts. Many streets are awash because waterpipes have burst and not been mended. The telephone system which once made Beirut the communications centre of the Middle East is slipping behind even Egypt's legendary incompetence.

Insolvency law changes proposed

BY DUNCAN CAMPBELL-SMITH

MAJOR changes in insolvency law were proposed yesterday by the review committee set up by the last government in 1977 to look into all aspects of insolvency law and practice. The committee's report, submitted confidentially to the Government in two parts in April last year, and in February this, but not published till yesterday contains recommendations affecting every area of insolvency law from personal bankruptcy to major company receivership.

Weather

UK TODAY CLOUDY with rain or showers. Dry in some areas. S.E., N.E. and Central N. England, E. Midlands. Dry then rain from W. Max 23C (73F).

Table with columns for Location, Day, and Temperature. Includes cities like Ajaccio, Algiers, Amsterdam, Athens, Barcelona, Beirut, Berlin, Bonn, Brno, Bucharest, Budapest, Cairo, Cardiff, Casablanca, Cape Town, Cebu, Copenhagen, Doha, Dubai, Edinburgh, Geneva, Gibraltar, Harare, Hong Kong, Indianapolis, Jerusalem, London, Lyons, Madrid, Manila, Moscow, Mumbai, New Delhi, Ottawa, Paris, Perth, Port of Spain, Pretoria, Rome, Santiago, Seoul, Singapore, Taipei, Tel Aviv, Toronto, Tokyo, Tunis, Vienna, Warsaw, Wellington, Winnipeg, Yokohama.

Senior Executives of outstanding ability. Computers and Microelectronics. Currently Earning £20,000-£50,000. Odgers and Co. are management consultants specialising in executive recruitment.

Senior Executives of outstanding ability. Computers and Microelectronics. Currently Earning £20,000-£50,000. Odgers and Co. are management consultants specialising in executive recruitment.